

# Extra Ordinary CTMUHB Public Board Meeting

Thu 26 June 2025, 15:00 - 16:00

Virtually via Teams



## Agenda

### 15:00 - 15:05 5 min **1. PRELIMINARY MATTERS**

#### **1.1. Welcome & Introductions**

*Information Jonathan Morgan, Health Board Chair*

#### **1.2. Apologies for Absence**

*Information Jonathan Morgan, Health Board Chair*

#### **1.3. Declarations of Interest**

*Information Jonathan Morgan, Health Board Chair*

### 15:05 - 15:55 50 min **2. ANNUAL REPORT AND ACCOUNTS 2024-2025**

#### **2.1. CTMUHB Annual Report & Accounts / Hosted Organisations Accountability Report and/or Governance Compliance Statements**

##### **2.1.1. CTMUHB Annual Report & Accounts 2024-2025 (Unified Report combining AR and Accounts)**

*Decision Sally May, Executive Director of Finance & Gareth Watts, Director of Corporate Governance/Board Secretary*

2.1.1a CTMUHB AR & Accts 24-25 - Final Cover Paper - Board 26625v2.pdf (6 pages)

2.1.1b CTMUHB AR & Accts 2024-2025 - 26.6.25 v2.pdf (302 pages)

##### **2.1.2. Joint Commissioning Committee (JCC) Accountability Report 2024-2025**

*Stacey Taylor, Director of Finance & Information*

2.1.2 NWJCC Accountability Report 2024-2025 signed.pdf (51 pages)

##### **2.1.3. Joint Commissioning Committee (JCC) Accounts 2024-2025**

2.1.3a NWJCC Accounts 2024-2025 - Cover Paper.pdf (14 pages)

2.1.3b LHBACCS 2024-25 - NHSWJCC - Audited Accounts.pdf (55 pages)

##### **2.1.4. National Imaging Academy Wales (NIAW) Governance Compliance Statement 2024-2025**

2.1.4 NIAW - Annual Governance Compliance Statement 2024-2025.pdf (4 pages)

#### **2.2. NHS Wales Shared Services Partnership (NWSSP) Internal Audit Services**

##### **2.2.1. Head of Internal Audit Opinion and Annual Report for 2024-2025**

*Discussion Emma Samways, Deputy Head of Internal Audit*

2.2.1 CTM Final HIA Opinion and Annual Report 2024-25.pdf (31 pages)

## **2.3. Audit Wales**

### **2.3.1. Audit of the Financial Statements (ISA 260) Report (Including the Letter of Representation and Audit Opinion).**

*Discussion*                      *Mark Jones, Audit Wales*

 2.3.1 CTM 24-25 Audit of Accounts Final.pdf (34 pages)

## **15:55 - 16:00 3. CLOSE OUT BUSINESS** 5 min

### **3.1. Any Other Business**

*Information*                      *Jonathan Morgan, Health Board Chair*

## **16:00 - 16:00 4. DATE AND TIME OF NEXT MEETING** 0 min

Thursday 31 July 2025 at 9:00am



**Agenda Item**

2.1.1

**CTM Health Board**

**CTMUHB Annual Report & Accounts 2024-2025**

<b>Dyddiad y Cyfarfod / Date of Meeting</b>	26/06/2025
<b>Statws Cyhoeddi / Publication Status</b>	Open/ Public Not Applicable
<b>Awdur yr Adroddiad / Report Author</b> <i>If you do not wish for your name to be included in the public domain, please only include your job title</i>	<ul style="list-style-type: none"> <li>Cally Hamblyn, Assistant Director of Governance &amp; Risk</li> <li>Owen James, Head of Corporate Finance</li> </ul>
<b>Cyflwynydd yr Adroddiad / Report Presenter</b> <i>If you do not wish for your name to be included in the public domain, please only include your job title</i>	<ul style="list-style-type: none"> <li>Gareth Watts, Director of Corporate Governance (Board Secretary)</li> <li>Sally May, Executive Director of Finance</li> </ul>
<b>Noddwr Gweithredol yr Adroddiad / Report Executive Sponsor</b>	<ul style="list-style-type: none"> <li>Gareth Watts, Director of Corporate Governance (Board Secretary)</li> <li>Sally May, Executive Director of Finance</li> </ul>
<b>Pwrpas yr Adroddiad / Report Purpose</b>	For Approval

**Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/Group)**

<b>Committee / Group / Forum Individuals</b>	<b>Date</b>	<b>Outcome</b>
<b>Annual Report</b>		
Executive Directors / Executive Leadership Group	2 April 2025 And 30 April 2025	All comments incorporated as appropriate
Full Board Member consultation	22 April 2025	All comments incorporated as appropriate
Audit Partners (Internal Audit & Audit Wales)	8 May 2025	All comments incorporated as appropriate
Welsh Government	8 May 2025	No substantive comments received



Audit, Risk & Assurance Committee	22 May 2025	No further comments received.
<b>Annual Accounts</b>		
Welsh Government	02 May 2025	Accounts updated following comments received.
Audit, Risk & Assurance Committee	22 May 2025	No further comments received.

<b>Acronyms / Glossary of Terms</b>	
AW	Audit Wales
CTMUHB	Cwm Taf Morgannwg University Health Board
JCC	Joint Commissioning Committee
NIAW	National Imaging Academy Wales



## 1. Situation / Background

- 1.1 In accordance with Welsh Government and HM Treasury Guidance, CTMUHB has produced the Annual Report and Annual Accounts for the financial reporting period 2024-2025.
- 1.2 The Annual Report incorporating the Accountability Report at Chapter 2, (Incorporating the Governance Statement, Statement of Directors Responsibilities and the Remuneration Report), in conjunction with the Annual Accounts will be submitted to Welsh Government by noon on the 30<sup>th</sup> June 2025.
- 1.3 The Annual Report will be formally presented at CTMUHB's Annual General Meeting on the 31<sup>st</sup> July 2025.

## 2. Specific Matters for Consideration

- 2.1 The Audit, Risk & Assurance Committee have considered CTMUHB Annual Report and Accounts at its meeting on the 25<sup>th</sup> June 2025, having previously considered it in draft form at its meeting on the 22<sup>nd</sup> May 2025.
- 2.2 The outcome of the Audit, Risk & Assurance Committee held on the 25<sup>th</sup> June 2025, will be provided as a verbal update at this Board meeting due to the proximity of the meetings. It should be noted that a change to the forward within the Annual Report & Accounts has been made to acknowledge the farewell of Lynda Thomas, Independent Member Corporate Business. This amendment is captured in the reports presented to the Board as the papers were re-issued on the 25 June 2025.
- 2.3 CTMUHB's Governance Statement, which is contained within the Accountability Report, is supported by approved documentation from its hosted organisations as follows:
  - Joint Commissioning Committee (JCC) Accountability Report – Approved by the JCC and signed by the Chief Commissioner who has Accountable Officer Status for the propriety and regularity of the funds entrusted to the JCC. Included at agenda item 2.1.2.
  - National Imaging Academy Wales – Annual Governance Compliance Statement, signed by the Academy Director. Included at agenda item 2.1.4.
- 2.4 Following the Audit of the Accounts by Audit Wales, several corrections have been made to the accounts. As per the Audit Wales Audit of Accounts Report (ISA260 Report) at agenda item 2.3.1, there are no uncorrected misstatements in the accounts. Significant corrections to the draft accounts which have been made are shown in Appendix 2 of the ISA260 Report.



2.5 The Annual Accounts outline the financial performance up to year end 31<sup>st</sup> March 2025, these are captured in chapter 3 of the Annual Report. The Joint Commissioning Committee Accounts for 2024-2025 are also included in the Board papers at agenda item 2.1.3.

### Equality and Welsh Language Impact Assessment

2.5 An Equality and Welsh Language Impact Assessment has been completed and is available upon request from:

[CTM\\_Corporate\\_Governance@wales.nhs.uk](mailto:CTM_Corporate_Governance@wales.nhs.uk)

### 3. Key Risks / Matters for Escalation

3.1 CTMUHB Annual Report and Accounts have been reviewed at each stage of its development as outlined on page 1 of this report.

3.2 The comments received on the draft versions of the report have as always been welcomed as they have enabled the document to be further refined.

3.3 As outlined in the Audit Wales ISA260 Report it is proposed that Audit Wales intend to issue an unqualified true and fair audit opinion and a qualified regularity opinion on the 2024-2025 accounts.

3.4 As previously highlighted to the Audit, Risk & Assurance Committee the opinion in respect of regularity of expenditure is qualified because CTMUHB did not meet its revenue resource allocation over the three-year period ending 31 March 2025 due to the reported deficit that occurred in 2022-2023, which has led to an overspend over the three-year period 2022-2023 to 2024-2025 of £24.3m.

### 4. Assessment

Objectives / Strategy	
<b>Dolen i Nod (au) Strategol BIP CTM / Link to CTMUHB Strategic Goal(s)</b>	The Annual Report aligns to all Strategic Goals
	If more than one applies please list below:
<b>Dolen i Feysydd Strategol BIP CTM / Link to CTMUHB Strategic Areas</b>	The Annual Report aligns to all Strategic Areas.
	If more than one applies please list below:
<b>Dolen i Ddeddf Llesiant Cenedlaethau'r Dyfodol – Nodau Llesiant /Link to Wellbeing of Future Generations Act – Wellbeing Goals</b> <a href="#">150623-guide-to-the-fg-act-en.pdf (futuregenerations.wales)</a>	The Annual Report has a specific section on the Wellbeing of Future Generations Act.
	If more than one applies please list below:



<b>Dolen i Hwyluswyr Ansawdd</b> <i>(Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) /</i> <b>Link to Enablers of Quality</b> <i>(<a href="#">Duty of Quality Statutory Guidance (gov.wales)</a>)</i>	Annual Report has specific sections dedicated to quality and the implementation of the Duty of Quality
	If more than one applies please list below:
<b>Dolen i Feysydd Ansawdd</b> <i>(Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) /</i> <b>Link to Domains of Quality</b> <i>(<a href="#">Duty of Quality Statutory Guidance (gov.wales)</a>)</i>	Annual Report has specific sections dedicated to quality and the implementation of the Duty of Quality
	If more than one applies please list below:
<b>Effaith Amgylcheddol/ Cynaliadwyedd (5R) / Environmental /Sustainability Impact (5Rs)</b>	The Annual Report has specific sections dedicated the sustainability agenda.
	If more than one applies please list below:

Impact Assessment		
<b>Ansawdd</b> <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Ansawdd? / <b>Quality</b></i> <i>Have you undertaken a Quality Impact Assessment Screening?</i>	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
	Outcome:	If no, please include rationale below: A quality impact assessment is not required for the Annual Report.
<b>Cydraddoldeb a'r Gymraeg</b> <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Gydraddoldeb a'r Gymraeg? / <b>Equality and Welsh Language</b></i> <i>Have you undertaken an Equality and Welsh Language Impact Assessment Screening?</i>	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
	Outcome for Equality (delete as appropriate):  Available upon request.	If no, please include rationale below:
<b>Cyfreithiol / Legal</b>	There are no specific legal implications related to the activity outlined in this report.	
<b>Enw da / Reputational</b>	There is no direct impact on the reputation of the Health Board as a result of the activity outlined in this report.	
<b>Effaith Adnoddau</b> <i>(Pobl /Ariannol) / <b>Resource Impact</b></i> <i>(People / Financial)</i>	There is no direct impact on resources as a result of the activity outlined in this report.	

## 5. Recommendation

5.1 The Board is asked to:

- **APPROVE** the CTMUHB Annual Report & Accounts for 2024-2025
- **APPROVE** the Letter of Representation (included in the ISA 260 – Agenda item 2.3)

- **AUTHORISE** the Chair, Chief Executive and Executive Director of Finance to sign (electronic signatures will be applied) the relevant sections of the Annual Report & Accounts
- **AUTHORISE** the Chair, Chief Executive and Interim Chief Commissioner of the Joint Commissioning Committee to sign (electronic signatures will be applied) the Letter of Representation on behalf of CTMUHB.
- **NOTE** the Head of Internal Audit Opinion
- **NOTE** the Audit of the Financial Statements (ISA 260) Report (Including the Letter of Representation and Audit Opinion)
- **NOTE** the Accountability Report and Annual Governance Compliance Statements and Accounts received from Hosted Organisations.

## 6. Next Steps

6.1 Following Board approval of the CTMUHB Annual Report and Accounts for 2024-2025 will go forward as follows:

- The Annual Report and Accounts and Letter of Representation will be signed and shared with Audit Wales by close of play on the 26<sup>th</sup> June.
- Audit Wales will arrange certification by the Auditor General for Wales on the 27<sup>th</sup> June 2025.
- Audit Wales, following certification, will submit CTMUHB's certified Annual Report and Accounts direct to Welsh Government by noon on the 30<sup>th</sup> June 2025.
- Formal presentation of the Annual Report and Accounts will be at CTMUHB Annual General Meeting on the 31<sup>st</sup> July 2025, following which it will be published on CTMUHB's website.



# Cwm Taf Morgannwg University Health Board Annual Report 2024-2025



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Cwm Taf Morgannwg  
University Health Board

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## Foreword from the Chief Executive and Chair

Welcome to the 2024-2025 annual report for Cwm Taf Morgannwg University Health Board (CTMUHB).

It is a statutory duty for the health board to produce an annual report, and it enables us to publish important information about our finances, workforce, performance, and governance. In addition, it provides us with an opportunity to share details of the successes, achievements and challenges that have shaped our health board during the last financial year.

We started 2024-2025 with the announcement by Welsh Government that maternity and neonatal services at CTMUHB were to be de-escalated from 'enhanced monitoring' to 'routine arrangements'. Our teams in neonatal and maternity services have shown outstanding commitment to our improvement journey and to implementing sustained change, following a 2019 review by the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives. This announcement clearly demonstrated the progress we have made and are continuing to make for local families.

The announcement also set out the de-escalation of monitoring for quality and governance, leadership and culture, and trust and confidence reflecting the outcomes of the work we have undertaken to ensure we have effective processes and policies in place to monitor and manage quality and safety across the organisation, as well as recognition of positive engagement with our stakeholders and communities.

Later in the year, we were also pleased to see our child and adolescent mental health services deescalated from 'targeted intervention' to 'enhanced monitoring'.

The last financial year has seen us manage one of the most significant operational challenges in the health board's history, when the roof of the Princess of Wales Hospital was found to have suffered serious deterioration, necessitating the immediate closure of a number of clinical areas.

With a large and urgent programme of work required to address the extensive damage – identified in October 2024 through a survey carried out by external experts – CTMUHB declared a critical incident and put in place plans to shift or transfer services on an unprecedented scale. The plan included the closure of operating theatres, a move of the intensive care unit and the transfer of nearly 200 patients to alternative settings to continue with their ongoing care and recovery.

Teams of staff have worked tirelessly to minimise disruption for patients and staff, and work continues to address the impact that the issue has had upon waiting times and patient access. Despite the scale of the challenge, work to replace the roof began within weeks of the issues being identified and, in February 2025, the first services began returning to the hospital.

While work at the site will continue for several months, the way in which CTMUHB responded to this extraordinary issue is testament to the commitment and resilience of our staff at Princess of Wales Hospital, and across the entire organisation.

This unexpected impact upon our operational services has, inevitably, had a detrimental effect upon our capacity and we have taken innovative steps to address the resulting backlog in theatres and diagnostics by installing specialist mobile units at one of our acute sites. These facilities at the Royal Glamorgan Hospital are enabling our staff to carry out tests and operations in clean, purpose-designed environments that are networked with, but physically separate from our full-range of acute hospital facilities.

Significant challenges have also been managed within our stroke services, where severe medical staffing shortages required us to make an urgent, temporary change to our inpatient hospital stroke services. In January 2025, CTMUHB's acute stroke unit, which includes a range of specialist staff who treat and care for those who have experienced a stroke, moved from the Prince Charles Hospital in Merthyr Tydfil to join with the acute stroke unit at the Royal Glamorgan Hospital (RGH) in Llantrisant. Work continues to address this shortfall in specialist stroke staff – which is one experienced across the UK – and to maintain minimal impact of the change upon patient care. In response to the critical incident at the Princess of Wales Hospital (PoWH), and the immediate decant action required, the PoWH Stroke Unit also had to relocate to the RGH.

Following the opening of the Snowdrop Breast Centre last year, further improvements were made to cancer services with the opening of a new operating theatre and recovery area at the Royal Glamorgan Hospital. This area was created as a dedicated space for carrying out surgery for breast cancer and the new space was another important step in enabling the breast care team to more easily plan treatment for patients including surgery, chemotherapy, radiotherapy, medication, prosthetic advice and fitting as well as counselling and complementary therapies.

This new theatre has contributed towards a significant overall improvement to our cancer pathways, with the health board now achieving the highest levels of performance against the Single Cancer Pathway (SCP) in over four years.

By last summer, CTMUHB were also able to clear our lists of the longest waiting patients – those waiting 156-weeks and longer. Whilst this was an important achievement, our focus is now on treating those who have been on a waiting list for two years. No patient should have to wait this long to receive the care they need, and our teams are working hard to address this. At the same time, we continue to focus on improving the responsiveness of emergency care, including ambulance handovers, and waiting times within emergency departments.

We know that embracing technology and new approaches to care is essential if we are to meet the continually evolving needs of our population, and the last year has seen us make some exciting advances. Plans to deliver a new electronic prescribing system for our hospitals took a significant step forward in September 2024 when we selected Nervecentre a technology supplier to work alongside us to

deliver a new electronic Prescribing and Medicines Administration system. Referred to as an ePMA, the system will replace paper-based processes, helping to provide clinicians with more time to deliver safer and more efficient care to patients.

We are also working towards the development of an electronic patient record for our mental health services, improving access to safe, secure and accurate information that is so crucial to providing patients with timely, effective care.

Working in partnership remains a cornerstone of CTMUHB's values and we have continued to build links with community organisations who help us to listen and respond to the voice of our diverse population. We also maintain close relationships with our trades union colleagues to understand how we can support colleagues to enjoy fulfilling and productive careers with CTMUHB.

We were pleased to see an increase in CTMUHB's response rate for the NHS staff survey last year, recording the highest rate of any similar sized health board. At the time of writing, the organisation is engaging teams on the feedback and working through corporate and localised plans to respond to the thematic issues raised.

We have seen changes to the make-up of our Board, welcoming Rachel Rowlands, Independent Member Community, replacing Mel Jehu and physiotherapist Hayley Proctor as our Independent Member Trade Union, replacing Nicola Milligan. We also said farewell to Lynda Thomas, Independent Member Corporate Business during 2024-2025. We would like to take this opportunity to once again thank Mel, Lynda and Nicola for their service to the Board.

As in previous years, this annual report describes a challenging financial environment for CTMUHB and the ways in which we are balancing the need to deliver our services efficiently whilst ensuring they remain safe and accessible. It remains the case that systematic change to the way in which health services are managed and delivered is necessary if we are to address the growing gap between needs and resources. Just as importantly, change is required if we are to be more ambitious for our population, address the inequalities that exist across our footprint and empower people to live healthier, longer more fulfilled lives.

Thank you for taking the time to read this annual report, which we hope you find both informative and interesting.



**Paul Mears, Chief Executive**



**Jonathan Morgan, Chair**

## What this Annual Report will tell you.

This report is part of a set of documents that provides you with information about CTMUHB, the care we provide and what we do to plan, deliver and improve healthcare, in order to meet changing demands and future challenges. It provides information about CTMUHB's performance, what was achieved during 2024-2025 and the improvement activity.

The report recognises the importance of working with our population, stakeholders and partners, listening and learning from feedback and ensuring we continue to deliver better services to meet needs in the most effective, efficient, safe and sustainable ways.

The Annual Report is divided into the following key sections:

- **Chapter 1 – Performance Report** – The purpose of the performance section is to provide information on CTMUHB, its main objectives and strategies and the principal risks and challenges that it faces.
- **Chapter 2 – Accountability Report** – The purpose of the accountability section is to meet key accountability requirements to the Welsh Government, and focusses upon governance, leadership, accountability and remuneration matters.
- **Chapter 3 – Financial Statements and Accounts** – The purpose of this section is to present the full Financial Statement for CTMUHB.

### How to contact us:

If you require a printed version of the Annual Report or in alternative formats/languages, please contact us using the details below:



Cwm Taf Morgannwg University Health Board Headquarters,  
Ynysmeurig House, Unit 3, Navigation Park, Abercynon, Rhondda  
Cynon Taf. CF45 4SB  
01443 744800



[CTM\\_Corporate\\_Governance@wales.nhs.uk](mailto:CTM_Corporate_Governance@wales.nhs.uk)



<https://ctmuhb.nhs.wales>



<https://twitter.com/cwmtafmorgannwg>



<https://facebook.com/CwmTafMorgannwg/>



<https://www.instagram.com/cwmtafmorgannwg/>

## About Cwm Taf Morgannwg University Health Board

CTMUHB was formed on 1 April 2019, providing and commissioning a full range of community-based and hospital services for the residents of Bridgend, Rhondda Cynon Taf and Merthyr Tydfil. This includes the provision of local primary care services (GP Practices, Dental Practices, Optometry Practices and Community Pharmacy), health centres and community health teams.

The resident population of CTMUHB was estimated at 446,514 (StatsWales Welsh Government, November 2023). The region has high levels of deprivation, with 56.5% of the population of the Health Board area living in the two most deprived fifths in Wales (WIMD 2019 with populations from ONS, 2020). The highest levels of deprivation lie mainly in the valleys to the north of the CTMUHB area.

The Board continues to develop its CTM2030 strategy of which improving the health of our population is a key tenet. As outlined in the Integrated Medium-Term Plan, 2025-2028 will see us continue to tackle some of the most pressing health issues for our population.

As at the 31 March 2025, CTMUHB employs 11,501.30 full-time equivalent (FTE) staff, with a headcount of 13,192. A significant percentage of our workforce live within the CTMUHB's area, making our staff not only the core of our organisation but representatives of the diverse communities that we serve.

CTMUHB is also responsible for making arrangements for residents to access more specialised health services where these are not provided within the CTMUHB boundary through the Joint Commissioning Committee further explained below under 'Hosted Organisations'.

### **Hosted Organisations**

CTMUHB hosts the following organisations within NHS Wales:

#### ***Joint Committees:***

- **The NHS Wales Joint Commissioning Committee (NWJCC)** is a Joint Committee of the seven health boards acting collectively on their behalf. However, individual Health Boards are ultimately accountable to their population and other stakeholders for the provision of the services commissioned by the NWJCC for the residents in their area.

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).

From 1 April 2024, the NWJCC replaced EASC and WHSSC and assumed responsibility for the services previously commissioned by these committees

and the NCCU, together with the commissioning of NHS 111 Wales services, and the Sexual Assault Referral Centres for Wales.

***National Programmes:***

- **National Imaging Academy Wales (NIAW)** - was established in 2018 and is a purpose-designed state of the art facility to deliver the highest level of training to generate consultant radiologists to meet the increasing pressures imaging professions are facing. The National Imaging Academy has an annual work plan and performance management arrangements that are agreed between the Director of the National Imaging Academy and the Collaborative Executive Group, prior to final sign off by the Collaborative Leadership Forum. NIAW is hosted by CTMUHB on behalf of health boards and Trusts in Wales.

Detailed information about the services that we provide can be found on the [‘services’](#) section of our website.

## CTM2030: Our Health, Our Future

Our Health, Our Future is our organisational strategy, which has been developed in conjunction with our staff, communities and partners. The summary of CTM2030 can be seen in the diagram below, setting our strategic goals and our 'life course' approach which is delivered by our strategy groups and supports the delivery of the goals. CTM2030 covers all aspects of how we deliver population health through public health, primary, community and mental health; integrated care with local authorities and third sector; and our hospital services.

Figure 1



Our approach to delivery of CTM2030 is set out into three key delivery portfolios:

- Acute Clinical Services Plan (ACSP)
- Integrated care
- Building Healthier Communities

The delivery of these three portfolios will result in:

- Health care being delivered where it can deliver the best care for patients, rather than where it has historically been delivered. It will also change how health care is delivered, for example, using technology and new treatments and the introduction of new roles. This will result in changes to which services are delivered from our acute and community hospital sites.
- We will support these changes by working differently with our partners, with a key focus on the integration of services with our three local authorities. By working together differently we will reduce duplication of resources and enable us to care for more people in their own homes, with a focus on maintaining independence and wellbeing.
- Most importantly, we will change our relationship with the people who live and work in CTM, so we better understand what matters to them and the impact this has on their health and wellbeing. We will do this alongside our community

partners by talking to our people, fulfilling our role as an 'anchor institution', moving beyond traditional healthcare boundaries to look at how we employ our people, spend our money and enact our wellbeing principles.

The first delivery portfolio is our ACSP which is a complex transformational change programme that involves working with multiple internal and external stakeholders, including clinicians, corporate groups, local authority leaders, politicians and local community leaders. This plan will be co-produced with our population, staff and partners, but it does have several high-level assumptions:

- Adopting new clinical treatments and technologies
- Redesigning care models to integrate services between hospitals and community care with the aim of reducing demand for hospital services
- Moving long term conditions (such as diabetes) to be delivered in a community and primary care setting
- Balancing the need for local delivery with the clinical, workforce and financial efficiencies of bringing services together
- Transforming care using new digital technologies

The second delivery portfolio is developing an Integrated Community Care Services (ICCS). Currently this is focused on integrating adult services across health and social care but learning from this work will influence further integration models.

In CTM there is a growing number of older people and people living with frailty, their interacting and cumulating health and social circumstances means continuity and coordination of their care is extremely important. Health and social care services working separately in traditional ways cannot deliver optimal outcomes for people.

Our strategic commitment is to work together with Bridgend County Borough Council, Merthyr Tydfil County Borough Council and Rhondda Cynon Taf County Borough Council and wider partners to create an ICCS. In practical terms this will mean developing integrated delivery teams, joint management arrangements, close collaboration on demand and capacity planning, the optimal use of our collective resources and joint commissioning of services.

The third delivery portfolio is Building Healthier Communities. This portfolio is the foundation for the two set out above as this focuses on changing our relationship with our population and increasing our focus on prevention. This portfolio goes beyond the traditional boundaries of health care service provision – the key element of this portfolio is partnership working and the role that we play as an anchor institution within our region. This portfolio includes:

- Procurement/Foundational Economy/Circular Economy
- Green/decarbonisation
- Employment
- Welsh Language
- Education
- Housing

Relationships in the community and community spaces play a vital role in people living the healthiest, happiest lives they can. How CTMUHB interacts and engages with our communities and works with local assets has a huge impact on healthy behaviours and quality of life. Under this portfolio we are shifting away from the 'do to' approach to health care delivery and moving towards a 'do with' in partnership with our communities. To do this we have to ask, listen to and understand what matters to those communities, and then, in conjunction with them and our wider partners, enact what we can do to enable this. We have started this work in 2024-2025 by using appreciative enquiry within three communities – Blackmill in Bridgend; Treharris and Trelewis in Merthyr Tydfil; and Tylorstown in Rhondda Cynon Taf and the stories and narrative that we are gaining from these conversations is already shaping how we work differently with our communities. Learning from this work will inform future conversations beyond these three communities.

This approach goes hand in hand with the prevention agenda. By working in partnership with our population, we can focus on the development of self-sustaining communities who better have the means and ability to live happier, healthier lives. Strategically, CTMUHB has made a commitment to invest in the prevention agenda, delivered through a population-health, early-intervention approach.

## Issues of Particular Note for 2024-2025

Whilst the foreword provides an insight of the areas of note for 2024-2025, further areas have been highlighted below.

### NHS Oversight and Escalation Arrangements

CTMUHB's performance improvement programme of work continues to be monitored via monthly Integrated Quality, Performance and Delivery (IQPD) and oversight meetings with Welsh Government colleagues.

In line with the NHS oversight and escalation framework, escalation levels are considered at least twice a year. This includes an assessment of each health organisation against the six escalation domains, and discussions with partners around the current issues, concerns and progress since the last review.

Following an assessment in March 2025 the escalation status for CTMUHB's NHS Oversight and Escalation Arrangements were reviewed as follows:

- Child and Adolescent Mental Health Services be de-escalated from level 3 (enhanced monitoring) to level 1 (routine arrangements).
- Planned care and cancer will be de-escalated from level 4 (targeted intervention) to level 3 (enhanced monitoring).

Therefore, the overarching escalation status as at 11 March 2025, is summarised in the table below:

<b>Area</b>	<b>Current Status</b>
Performance and Outcomes related to Finance, Planning & Strategy	Level 3 (Enhanced Monitoring)
Performance and Outcomes related to Planned Care	Level 3 (Enhanced Monitoring)
Performance and Outcomes related to Cancer	Level 3 (Enhanced Monitoring)
Performance and Outcomes related to Urgent and Emergency Care	Level 4 (Targeted Intervention)

Going forward, the key focus will be aimed at reducing waiting times in our emergency departments and driving down the delays in handover of patients from ambulances into our hospital departments with an aim of reducing this level of escalation. Regarding Planning and Finance, Welsh Government have fed back that organisations' escalation in this area will be reviewed again in May/June 2025 once the plans for the coming financial year have been submitted and reviewed.

In line with the escalation framework, our performance improvement programme of work for planned care and cancer will be monitored via monthly Integrated Quality, Performance and Delivery (IQPD) and urgent and emergency care will be the sole focus of the oversight meetings with Welsh Government colleagues.

## Princess of Wales Critical Incident

As referred to earlier in the report, following the critical incident in September 2024, an urgent programme of works to replace the Princess of Wales Hospital roof began mid-November 2024, with a forecast completion of August 2025.

The scope of the works primarily includes replacement of the main pitched roof and guttering, replacement of several first-floor windows and a level of internal refurbishment following water ingress. Works associated with an existing Fire Enforcement Notice (FEN) were already being planned when the critical incident occurred, last year. Therefore, it makes most efficient use of vacated clinical space to also address the required fire compartmentation works as a concurrent schedule of works.

Overall, the programme is reported to be on track with contract completion expected in August 2025. It is important to note that some external construction work, including removal of scaffolding, will be ongoing with patients in situ, however, very carefully managed by the programme and site teams to ensure patients are not at risk or have their dignity compromised.

Following discussion at the November 2024 Public Board meeting, the Chair and Chief Executive commissioned the Director of Corporate Governance to undertake an internal review with regards to the sequencing of events and background in relation to the critical incident at the Princess of Wales Hospital. The internal review report was shared at the Public Board meeting on the 27 March 2025 and is available here: [27 March 2025 - Cwm Taf Morgannwg University Health Board](#) – please see page 101 of the Board Agenda and Papers bundle.

## Temporary Emergency Service Change to Stroke Services

In early January 2025, the Senior Stroke Clinical Leadership capacity across two of our sites, Prince Charles Hospital (PCH) and the Royal Glamorgan Hospital (RGH), diminished rapidly. This contributed to an unsustainable demand upon the remaining consultant workforce (substantive and locum) that had to be addressed to continue providing a safe service to patients experiencing a stroke.

CTMUHB worked closely with stroke and other clinical teams to explore opportunities for utilising the workforce in different ways to improve capacity and explored cross-Health Board support with neighbouring health boards. However, to maintain a safe service that can continue to save lives and reduce the effects of stroke for as many patients as possible, CTMUHB took immediate temporary, local changes to the way in which services were provided.

As such, to maintain a safe and effective acute Stroke Service for our patients and communities, immediate urgent plans were developed to move onto a single site and following an options appraisal a decision was made to centralise all Stroke services at the RGH.

A project team and workstreams were established to develop plans and pathways and undertake the actions required at pace to achieve the move of the Stroke Service from PCH to RGH on the 8 January 2025.

The following activity continues:

- progress the planning and implementation of the urgent change to centralise the CTMUHB Stroke Service on the RGH Site through the Stroke Operational Governance arrangements.
- monitor the levels of demand for Acute Stroke and Rehabilitation beds and provision for future plans.
- seek opportunities to stabilise the Stroke Consultant Workforce.
- progress the therapy plan/recruitment to enable the opening of the additional Stroke beds in Ysbyty Cwm Rhondda.
- To consider the optimum Stroke Service for CTMUHB informed by the data, performance and workforce position and forecast that develops over the coming months.

The Board received a detailed update on the temporary service change at its Public Board meeting on the 30 January 2025, and the report is available here: [30 January 2025 - Cwm Taf Morgannwg University Health Board](#)– please see page 247 of the Board Agenda and Papers bundle.

### Llantrisant Health Park (LHP) Programme

CTMUHB continues to work towards the development of a new regional diagnostics and treatment centre within CTM. The LHP will be the first of its kind in Wales and will improve access to tests and treatment for people living within CTM and the wider south wales region. In 2024, we were pleased to welcome the Cabinet Secretary for Health and Social Care, Jeremy Miles, to the site to set out our plans and discuss how LHP will enhance care and treatment for the population. At the time of writing, CTMUHB are preparing for the demolition of the existing buildings to ready the site for development.

Whilst this work progresses, we have been making the most of the space available by placing mobile diagnostics units on the health park site. Mobile MRI (magnetic resonance imaging) scanner and CT (computed tomography) scanners were located there last year, enabling CTMUHB to scan nearly 5,000 patients, significantly reducing waits for patients.

### Health Protection Strategic Plan

In 2024-2025, CTMUHB developed a Health Protection Strategic Plan to enable an integrated Health Protection system in CTM to prevent and mitigate risk from communicable disease and other threats to health. The core themes of the plan are around improvements to surveillance and insight, governance and coordination, preparedness, prevention and management of health protection risks, as well as health protection aspects of housing and health and climate change and health. Core to the strategic plan is the systematic identification and addressing of inequalities around all health protection areas of work.

## Chapter 1 – Performance Report

The performance overview is a summary of the Performance Report. It provides the reader with an overview of the challenges we have faced and how we have addressed them, as well as achievements and progress made.

The overview includes headline information as to how we have performed against Welsh Government targets and our actions to improve. The full Performance Report goes into detail, however, the summary will also assess how we have maintained a focus on safety and quality during our continued recovery from the pandemic and considers what we have learned and how this will inform future work.

### Chief Executive's Introduction and Performance Overview

NHS Wales and our social care and third sector partners continue to face significant and sustained pressures. Alongside service pressures, the sector is managing some very significant challenges to its performance, finances, staff recruitment and retention. Our vision for the future remains focused on responding to these challenges by delivering modern facilities, integrated community services and connected communities, that all make the best use of technology and the skills of our staff, maximising effectiveness and really enabling individuals to be in control of their own health.

The challenges of poorer health outcomes for the population of CTMUHB are considerable when compared to Wales as a whole and large inequalities exist within CTMUHB area. Life expectancy for men and women in CTMUHB is less than the Welsh average, and the difference in healthy life expectancy (the number of years a person can expect to live in good health) is also considerably lower for men and women. The inequality gap for our population compared to the rest of Wales in terms of life expectancy and healthy life expectancy is captured on page 86 onwards.

These factors, coupled with the continuing impact of the COVID-19 pandemic on health and social care services which is still being felt by our population (with people experiencing longer waiting times for diagnostics tests and treatment) means that the focus of our Integrated Medium Term Plan (IMTP) and CTM2030 Strategy, must be to address inequalities, at the same time as delivering healthcare service development and recovery. Our aim is to ensure that we undertake activity to improve the health and wellbeing of our population alongside activity to improve access to services and incorporate proactive and preventative approaches based on population need. It is fundamental that we seek to improve access in a sustainable way, reducing our impact on the environment, which in itself is a prevention activity, through redesigning healthcare to reduce waste and unnecessary steps and delivering Value-Based Healthcare (VBHC) pathways and avoiding the delivery of interventions of limited value. Further information on Public and Population Health is captured on page 86 onwards.

It is important to highlight CTMUHB's approach to the planning framework within the introduction to the Performance Section of the report which is outlined below:

### Planning Framework 2025-2028

CTMUHB develops its Integrated Medium-Term Plan (IMTP) in accordance with the statutory duty for all Welsh health boards to collate three-year plans. There is an associated duty to achieve a financial break-even position during the three-year period, in accordance with section 175(2) of the National Health Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014).

CTMUHB must ensure that the plans deliver the requirements of the Quality and Engagement Act 2020, including delivery of the duty of quality and duty of candour.

The IMTP must also align performance, service, workforce and financial planning along with the wider corporate teams' plans.

CTMUHB was able to submit a balanced financial plan for 2024-2027, however, has identified significant constraints to the delivery of a break-even plan for the 2025-2028 cycle. The final financial position was confirmed in the plan documents and the CTMUHB Three Year Plan 2025-2028 was considered by the Board at its formal public meeting on 27<sup>th</sup> March 2025. Submission to Welsh Government followed on the 31<sup>st</sup> March 2025. The IMTP plan is available here: [27 March 2025 - Cwm Taf Morgannwg University Health Board](#) please see page 286 of the Board Papers bundle.

Signature:

**Paul Mears**

**Chief Executive**

**Date:**

## Delivery and Performance Analysis

Throughout the year we have maintained a sharp focus on monitoring of performance. The Board supported by the Board's Committees continue to provide oversight and challenge where appropriate and we apply our risk management process in assessing the risks and opportunities that we face by striving to achieve the targets which are set.

We recognise the importance of working with strategic partners to help achieve better outcomes. Engaging positively with our local authority partners to look at how we can best overcome the challenges over accessibility to social care. Increasingly looking to work in collaboration with neighbouring health boards looking at how services may be delivered on a more regional basis in the future.

During 2024-2025, we established a Productivity, Improvement and Transformation (PIT) programme with the primary objective of improving the efficiency and effectiveness of Planned Care and Elective Services. This will be achieved through optimisation of existing resources, reduction of waste, and working to enhance patient outcomes. The PIT programme forms a significant part of our work in our 2025-2028 plan and provides a governance structure for several enabling actions required for adoption by Welsh Government in the 2025-2028 plan.

The purpose of this section of the performance chapter is to provide information on our organisation, its main objectives and strategies and the principal risks that we face. The requirements are based on the matters required to be dealt with in a Strategic Report as set out in Chapter 4A of Part 15 of the Companies Act 2006, as amended by SI 2013, No. 1970. The main features flow from our delivery plans setting out what was achieved for the year being reported – in this case 1st April 2024 to 31st March 2025.

### Performance against the 2024-2025 Annual Plan

As indicated earlier in this report, for 2024-2027 plan CTMUHB was able to submit a financially balanced three-year IMTP.

The plan was submitted to Welsh Government (WG) on the 31 March 2025 and CTMUHB are awaiting formal notification from Welsh Government as to whether the Plan has been accepted. The Plan will be subject to ongoing monitoring via the Performance Framework and Integrated Quality Planning and Delivery (IQPD) meetings between WG and Health Board official, with a number of accountability conditions.

Feedback on the achievement of the deliverables included within the IMTP for Quarters 1 and 2 were reported to the Board with the last update provided in January 2025. It is expected that the final report will occur during May 2025.

Pleasingly we have continued to improve the quality and trust in our services and operations over the course of this financial year and this has been recognised by Welsh Government, Health Inspectorate Wales (HIW) and Audit Wales (AW), who

have de-escalated the requirements for external performance on us in this area as outlined on page 16.

### Welsh Government Performance Framework

The Welsh Government Performance Framework sets out the expectations on us and the other Health Boards in Wales, regarding performance, monitoring, management and improvement. The framework for 2024-2025 available online at:

[NHS Wales performance framework 2024 to 2025 | GOV.WALES](#)

The performance measures in the NHS Wales Performance Framework for 2024-2025 reflect the National Programme areas as outlined in the NHS Wales Planning Framework 2024-2027:

These are:

1. Enhanced care in the community, with a focus on reducing delayed pathways of care.
2. Primary and community care, with a focus on improving access and shifting resources into primary and community care.
3. Urgent and emergency care, with a focus on delivery of the 6 goals programme.
4. Planned care and cancer, with a focus on reducing longest waits.
5. Mental health, including CAMHS, with a focus on the delivery of the national programme.

The Integrated Performance Report (IPR) provides CTMUHB's Performance against the Welsh Government Performance Framework and other key deliverables for the organisation monthly. The latest IPR was received at the Public Board Meeting in May 2025, available here: [29 May 2025 - Cwm Taf Morgannwg University Health Board](#). The report is captured on page 320 of the Agenda and Papers bundle.

The bi-monthly report is intended to provide an ongoing assessment of CTMUHB's progress in delivering the Ministerial and CTMUHB's priorities as described in the Annual Plan, concentrating on areas of greatest priority and those areas where a significant change in performance has been observed, rather than a full discrete evaluation of all measures.

During 2024-2025, the Board agreed several priority areas where specific focus and resource would be deployed to achieve improvements. These form the Apex scorecard, which is provided in the CTMUHB performance reports, and are the measures which are described in greater detail in this section. These follow publication of our complete performance across all the Welsh Government Performance Delivery measures provided on the following pages.

CTMUHB'S strategic assessment of progress towards delivery of the NHS Wales Quadruple Aim are shown in the following pages:

Figure 2

Quadruple Aim 1: People in Wales have improved health and well-being with better prevention and self-management														
Percentage of adult smokers who make a quit attempt via smoking cessation services														
Target	2023/24	Qtr 1 to Qtr 3 2024/25		On the basis of this extrapolation compliance should reach 5.61% at year end										Target compliance
5% annual target	5.65%	4.21%												
Percentage of adult smokers who made a quit attempt via smoking cessation services who are CO-validated as quit at 4 weeks														
Target	Qtr 4 2023/24	Qtr 1 to Qtr 3 2024/25												Target compliance
40% annual target	N/A	9.3%												
Percentage of people who have been referred to health board services who have completed treatment for alcohol misuse														
Target	Qtr 4 2023/24	Qtr 1 2024/25		Qtr 2 2024/25		Qtr 3 2024/25		Qtr 4 2024/25						Target compliance
4 quarter improvement trend	67.4%	65.8%		67.4%		66.2%		N/A						
Percentage of children who are up to date with the scheduled vaccinations by age 5 ('4 in 1' preschool booster, the Hib/MenC booster and the second MMR dose)														
Target	Qtr 4 2023/24	Qtr 1 2024/25		Qtr 2 2024/25		Qtr 3 2024/25		Qtr 4 2024/25						Target compliance
95%	91.6%	90.2%		89.2%		90.1%		N/A						
Percentage of children receiving the Human Papillomavirus (HPV) vaccination by the age of 15 (applicable during: 01.04.24 - 30.06.24 & 01.01.25 - 31.03.25)														
Target	Qtr 4 2023/24	Qtr 1 2024/25		Qtr 2 2024/25		Qtr 3 2024/25		Qtr 4 2024/25						Target compliance
90%	83.3%	84.6%		84.6%		79.3%		N/A						
Percentage uptake of the influenza vaccination amongst adults aged 65 years and over (data reflects the last week of each month applicable during 01.09.24 - 31.03.25)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
75%	72.1%	Not applicable					18.5%	40.3%	62.0%	67.1%	68.8%	68.8%	69.4%	
Percentage uptake of the COVID-19 vaccination for those eligible - Spring & Autumn booster (data reflects the last week of each month. Applicable during 01.04.24-30.06.24 & 01.09.24 - 31.03.25)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
75%	N/A	20.0%	48.9%	59.6%	Not applicable		4.2%	16.0%	31.3%	40.9%	44.4%	44.8%	N/A	
Percentage of patients offered an index colonoscopy procedure within 4 weeks of booking their Specialist Screening Practitioner assessment appointment														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
90%	67.7%	48.0%	15.6%	2.1%	11.7%	1.8%	0.0%	11.4%	9.1%	1.9%	6.1%	3.1%	N/A	
Percentage of well babies entering the new-born hearing screening programme who complete screening within 4 weeks														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
90%	93.8%	95.9%	96.8%	98.3%	99.6%	99.4%	99.4%	98.2%	100.0%	97.2%	98.6%	N/A	N/A	
Percentage of eligible new-born babies who have a conclusive bloodspot screening result by day 17 of life														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
95%	95.2%	95.5%	96.8%	95.7%	96.6%	95.2%	95.6%	96.2%	98.0%	95.7%	96.0%	96.9%	97.3%	

Figure 3

<b>Quadruple Aim 2:                      People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement</b>														
Percentage of GP practices that have achieved all standards set out in the National Access Standards for In-Hours														
Target	2023/24	2024/25												
100%	100%	N/A												
Percentage of patients (aged 12 years and over) with diabetes who received all eight NICE recommended care processes														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Improvement compared to the same month in the previous year	39.7%	40.1%	40.0%	40.0%	40.0%	40.3%	39.9%	39.5%	40.5%	39.9%	39.4%	41.8%	45.5%	1
Percentage of the primary care dental services (GDS) contract value delivered (for courses of treatment for new, new urgent and historic patients)														
Target	2023/24	Apr-24	Apr-24 to May-24	Apr-24 to Jun-24	Apr-24 to Jul-24	Apr-24 to Aug-24	Apr-24 to Sep-24	Apr-24 to Oct-24	Apr-24 to Nov-24	Apr-24 to Dec-24	Apr-24 to Jan-25	Apr-24 to Feb-25	Apr-24 to Mar-25	Target compliance
A month on month increase towards a minimum of 30% contract value delivered by 30 September 2024 and 100% by 31 March 2025	105.0%	5.4%	12.7%	20.2%	33.9%	44.8%	52.7%	64.1%	75.3%	87.9%	97.6%	108.4%	120.6%	1
Number of consultations delivered through the Pharmacist Independent Prescribing Service (PIPS)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Increase compared to the same month in the previous year	1,741	1,578	1,632	1,546	1,682	1,556	1,723	1,964	1,922	2,530	2,352	2,120	N/A	1
Percentage of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral for people age under 18 years														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
80%	100.0%	97.5%	97.9%	96.9%	93.5%	96.3%	95.9%	93.1%	96.0%	89.0%	81.6%	83.3%	85.8%	1
Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for people age under 18 years														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
80%	50.5%	58.2%	76.3%	81.2%	83.8%	85.1%	85.7%	83.5%	96.2%	87.3%	88.8%	85.1%	92.0%	1
Percentage of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral for adults age 18 years and over														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
80%	81.3%	81.9%	93.1%	94.5%	93.5%	93.5%	91.4%	92.0%	88.5%	92.6%	90.0%	98.0%	73.5%	2
Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for adults age 18 years and over														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
80%	97.6%	89.3%	94.2%	94.6%	87.9%	92.4%	86.5%	91.7%	90.9%	95.8%	99.8%	87.8%	86.5%	1
Percentage of emergency responses to red calls arriving within (up to and including) 8 minutes														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
65%	42.4%	42.4%	41.0%	37.3%	40.4%	49.8%	42.9%	47.7%	46.8%	44.1%	46.0%	47.6%	53.3%	2
Median emergency response time to amber calls														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12-month reduction trend	01:55:30	01:40:02	02:23:53	02:15:09	02:01:07	01:27:50	02:10:07	02:20:42	02:50:16	03:52:45	03:03:50	02:39:15	02:00:45	2
Median time from arrival at an emergency department to triage by a clinician														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
15 minutes or less	13	14	14	15	14	13	14	12	12	12	11	12	13	1
Median time from arrival at an emergency department to assessment by a senior clinical decision maker														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
60 minutes or less	71	73	77	77	73	62	71	66	68	70	58	62	73	2

Percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e. A&E) facilities from arrival until admission, transfer or discharge														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Improvement compared to the same month in the previous year, towards the national target of 95%	64.5%	66.1%	65.0%	64.7%	65.1%	66.5%	66.9%	67.0%	68.1%	63.0%	67.1%	67.6%	65.3%	2
Number of patients who spend 12 hours or more in all major and minor emergency care facilities from arrival until admission, transfer or discharge														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Reduction compared to the same month in the previous year, towards the national target of zero	1,856	1,745	2,015	1,915	1,928	1,569	1,610	1,642	1,566	1,832	1,745	1,419	1,692	2
Percentage of patients starting first definitive cancer treatment within 62 days from point of suspicion (regardless of the referral route)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12-month improvement trend towards a national target of 80% by 31 March 2026	57.9%	50.0%	56.2%	53.4%	51.4%	56.7%	56.8%	60.8%	61.2%	64.2%	61.8%	60.7%	N/A	2
Number of patients waiting more than 8 weeks for a specified diagnostic														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Zero	7,236	6,549	6,646	6,989	6,403	6,031	5,417	3,764	3,412	3,329	3,426	3,037	1,933	2
Percentage of children (aged under 18 years) waiting 14 weeks or less for a specified Allied Health Professional														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
100%	94.4%	97.1%	96.6%	97.7%	99.4%	98.4%	98.8%	98.8%	99.1%	99.6%	98.2%	95.4%	95.2%	2
Number of patients (all ages) waiting more than 14 weeks for a specified therapy														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Zero	1,366	60	45	41	22	46	42	43	47	23	29	63	63	2
<i>From Apr-24 the figures also exclude weight management services which some health boards previously reported under dietetics.</i>														
Number of patients (all ages) waiting more than 14 weeks for audiology														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Zero	216	135	180	188	172	109	80	144	219	320	428	514	471	2
Number of patients waiting over 52 weeks for a new outpatient appointment														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Zero	13,914	14,184	15,133	15,570	16,027	17,075	16,815	16,921	16,839	16,673	15,186	14,216	13,729	2
Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Reduction compared to the same month in the previous year	40,817	40,659	41,875	40,975	41,443	42,995	43,456	43,408	43,598	44,473	43,771	43,555	43,955	2
Number of patients waiting more than 104 weeks for referral to treatment														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Zero	2,364	2,435	2,680	2,738	2,956	3,226	3,277	3,516	3,736	3,643	3,189	2,277	856	2
Number of patients waiting more than 52 weeks for referral to treatment														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Month on month reduction towards the national target of zero by 30 June 2025	23,518	23,378	24,291	24,590	25,031	26,157	26,059	26,738	27,229	27,135	26,027	24,762	23,555	2
Percentage of children and young people waiting less than 26 weeks to start an ADHD or ASD neurodevelopment assessment														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
80%	30.9%	32.9%	30.4%	31.5%	37.4%	36.0%	33.4%	32.1%	31.2%	29.8%	27.6%	31.1%	33.7%	2
Percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
80%	61.6%	56.3%	54.4%	57.4%	59.2%	57.7%	59.2%	58.0%	58.8%	55.0%	56.4%	59.7%	53.4%	2

Figure 4

Quadruple Aim 3: The health & social care workforce in Wales is motivated & sustainable														
Percentage of sickness absence rate of staff														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12 month reduction trend	6.81%	6.82%	6.83%	6.82%	6.80%	6.77%	6.74%	6.75%	6.79%	6.85%	6.88%	6.89%	N/A	<span style="color: red;">●</span>
Turnover rate for nurse and midwifery registered staff leaving NHS Wales														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Rolling 12 month reduction against a baseline of 2019-20 (8.65%)	8.61%	7.81%	7.68%	7.64%	7.24%	7.40%	7.53%	5.35%	5.38%	4.94%	N/A	N/A	N/A	<span style="color: green;">●</span>
Agency spend as a percentage of total pay bill														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12 month reduction trend	7.9%	5.9%	6.4%	5.8%	6.5%	6.0%	5.5%	5.7%	5.1%	5.0%	5.4%	4.4%	N/A	<span style="color: green;">●</span>
Percentage of headcount who have had a Personal Appraisal and Development Review (PADR) / medical appraisal in the previous 12 months (excluding doctors and dentists in training)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
85%	65.4%	66.4%	66.7%	65.8%	66.4%	66.5%	66.5%	66.7%	67.4%	68.0%	67.7%	66.8%	67.9%	<span style="color: red;">●</span>

Figure 5

Quadruple Aim 4: Improvement and innovation														
Percentage of episodes clinically coded within one reporting month post episode discharge end date														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Maintain the 95% target or demonstrate a 12-month improvement trend	96.9%	97.5%	94.9%	93.3%	94.6%	90.2%	91.0%	94.3%	84.3%	86.6%	76.3%	79.9%	N/A	2
Percentage of all classifications' coding errors corrected by the next monthly reporting submission following identification														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
90%	49.3%	98.2%	99.0%	99.2%	99.0%	98.0%	97.3%	97.9%	96.4%	97.3%	96.4%	93.5%	N/A	1
Percentage of calls ended following WAST telephone assessment (Hear & Treat)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
17% or more	14.3%	14.9%	N/A											2
<i>In April 2024, the WAST implemented a new 111 system for call handing and clinical assessment. The data and reporting for this system has been developed at pace and some metrics are still being finalised and awaiting sign-off.</i>														
Number of Pathways of Care delayed discharges														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12-month reduction trend	336	341	338	362	313	363	359	297	283	270	274	273	248	1
Percentage of health board residents in receipt of secondary mental health services who have a valid care and treatment plan for people aged under 18 years														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
90%	90.2%	90.6%	90.0%	90.9%	90.0%	90.4%	91.1%	90.3%	93.6%	100.0%	100.0%	100.0%	100.0%	1
Percentage of health board residents in receipt of secondary mental health services who have a valid care and treatment plan for adults 18 years and over														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
90%	88.0%	87.0%	87.4%	88.1%	87.8%	88.7%	88.8%	90.2%	91.1%	88.1%	86.9%	85.7%	86.8%	2
Number of patient experience surveys completed and recorded on CIVICA														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Month on month improvement	1,803	2,065	1,986	2,013	2,015	1,869	1,772	1,915	1,616	1,668	1,764	1,706	N/A	2
<i>Between Apr-24 to Jul-24 PHW introduced a new survey which led to an increase in figures - however this survey was closed in Jul-24, hence the drop in numbers since.</i>														
Cumulative number of laboratory confirmed bacteraemia cases - Klebsiella sp														
Target	Apr-23 to Mar 24	Apr-24	Apr-24 to May-24	Apr-24 to Jun-24	Apr-24 to Jul-24	Apr-24 to Aug-24	Apr-24 to Sep-24	Apr-24 to Oct-24	Apr-24 to Nov-24	Apr-24 to Dec-24	Apr-23 to Jan-25	Apr-23 to Feb-25	Apr-23 to Mar 25	Target compliance
63	118	13	19	27	39	43	49	60	68	86	92	98	103	2
Cumulative number of laboratory confirmed bacteraemia cases - P. aeruginosa														
Target	Apr-23 to Mar 24	Apr-24	Apr-24 to May-24	Apr-24 to Jun-24	Apr-24 to Jul-24	Apr-24 to Aug-24	Apr-24 to Sep-24	Apr-24 to Oct-24	Apr-24 to Nov-24	Apr-24 to Dec-24	Apr-23 to Jan-25	Apr-23 to Feb-25	Apr-23 to Mar 25	Target compliance
24	21	3	3	4	6	6	9	9	11	11	11	11	14	1
Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population - E-coli														
Target	Apr-23 to Mar 24	Apr-24	Apr-24 to May-24	Apr-24 to Jun-24	Apr-24 to Jul-24	Apr-24 to Aug-24	Apr-24 to Sep-24	Apr-24 to Oct-24	Apr-24 to Nov-24	Apr-24 to Dec-24	Apr-23 to Jan-25	Apr-23 to Feb-25	Apr-23 to Mar 25	Target compliance
67.00	85.13	76.72	82.20	77.68	82.87	79.51	80.40	81.82	81.19	79.51	78.17	79.99	81.98	2
Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population - S.aureus bacteraemia														
Target	Apr-23 to Mar 24	Apr-24	Apr-24 to May-24	Apr-24 to Jun-24	Apr-24 to Jul-24	Apr-24 to Aug-24	Apr-24 to Sep-24	Apr-24 to Oct-24	Apr-24 to Nov-24	Apr-24 to Dec-24	Apr-23 to Jan-25	Apr-23 to Feb-25	Apr-23 to Mar 25	Target compliance
20.00	31.08	38.36	41.77	35.23	30.32	31.70	30.99	31.50	29.98	29.89	30.09	30.03	29.50	2
Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population - C.difficile														
Target	Apr-23 to Mar 24	Apr-24	Apr-24 to May-24	Apr-24 to Jun-24	Apr-24 to Jul-24	Apr-24 to Aug-24	Apr-24 to Sep-24	Apr-24 to Oct-24	Apr-24 to Nov-24	Apr-24 to Dec-24	Apr-23 to Jan-25	Apr-23 to Feb-25	Apr-23 to Mar 25	Target compliance
25.00	28.38	46.58	37.73	37.94	38.41	36.53	36.38	38.80	38.41	39.16	38.15	36.92	35.58	2

Percentage of confirmed COVID-19 cases within hospital which had a definite hospital onset (>14 days after admission)														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-24	Target compliance
Reduction compared to the same month in the previous year	35.6%	52.2%	55.4%	35.7%	49.4%	24.3%	51.9%	39.4%	47.7%	43.5%	57.8%	28.0%	46.4%	2
Percentage of ophthalmology R1 appointments attended which were within their clinical target date or within 25% beyond their clinical target date														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12-month improvement trend towards national target of 95%	70.0%	66.0%	64.0%	64.3%	65.5%	69.7%	62.1%	66.5%	65.7%	73.0%	61.3%	60.1%	61.4%	2
Number of ambulance patient handovers over 1 hour														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Zero	964	1,045	1,116	974	991	525	788	859	727	1,050	1,050	689	866	2
Number of ambulance patient handovers within 15 minutes														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
Improvement compared to the same month in the previous year towards the national target of 100% within 15 minutes	23.6%	20.0%	17.9%	22.0%	19.9%	32.6%	24.3%	25.5%	30.2%	19.2%	17.6%	24.1%	19.7%	2
Number of National Reportable incidents that remain open 90 days or more														
Target	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Target compliance
12-month reduction trend	61	67	71	72	60	63	54	49	45	33	29	27	25	1

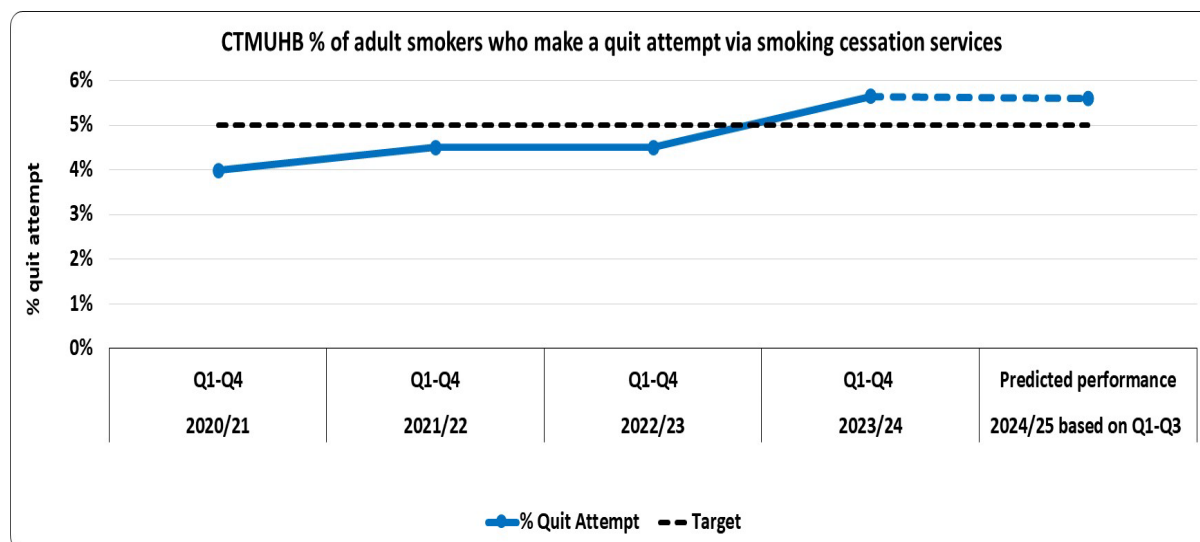
<i>Data published in the Quadruple Aim scorecards are correct at the time of writing the report</i>	
<b>Targets are measured against year end (Mar 25) or the latest period data is available</b>	<b>Key</b>
<i>Target Delivered</i>	3
<i>Target not Delivered</i>	2
<i>Not available</i>	N/A

## Our Key Performance Measures 2024-2025

### Focus area 1: Population Health

#### Measure 1: Smoking Cessation

Figure 6



Smoking is the leading cause of preventable illness and diseases such as cancer and cuts lives short. In CTM, around 11% of deaths in those aged 35 and over are caused by smoking annually (2020-2022).

As well as the personal cost, smoking has a significant impact on society, costing more than £17 billion a year. It has a big impact on the NHS, with 4% of annual hospital admissions in CTM attributable to smoking (2020-2022, those aged 35 and over). In Wales, around 13% of people age 16 and over smoke and it is estimated that around 14% of CTMUHB's resident population smoke. CTMUHB's strategic intention is to achieve a smoke free society by 2030, with a 5% or less adult smoking prevalence.

During 2024-2025, based on a straight line prediction of 4.21% of all adult smokers making a quit attempt in the first 9 months, it is predicted that 5.61% (3,024) of the smoking population of 53,868 in CTM will have made an attempt to quit smoking via the Smoking Cessation Services over the course of the full year.

Our achievement of the 5% target and improvement on previous years has largely been achieved by implementing plans to improve the numbers of treated smokers including:

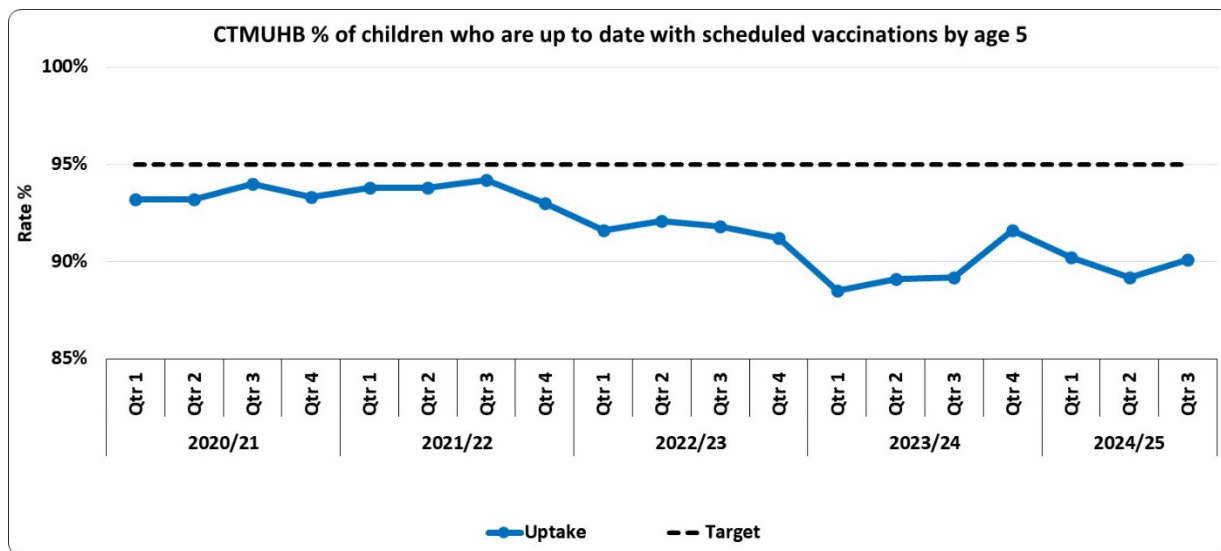
- Further developing the Help, Me Quit (HMQ) in community pharmacy services to increase the number of pharmacies delivering and offering support to continuously improve quit outcomes.
- Developing and implementing the HMQ In-hospital model; including securing additional HMQ advisor capacity.

- Continuing to deliver and improve the HMQ for Baby service, ensuring that all pregnant women are offered carbon monoxide monitoring and referral to cessation support if they smoke.
- Ensuring the HMQ service is promoted within Primary Care with clear referral routes, including offering Making Every Contact Count training.
- Targeting work at groups who we know have higher smoking prevalence, including work with registered social landlords to explore how promotion of the HMQ service and discussion of smoking in relation to the cost of living can be incorporated.

**Measure 2: Vaccination rates in children reaching their 5<sup>th</sup> birthday**

*Age 5 scheduled vaccinations are those children who have completed "4 in 1" pre-school booster, the Hib/MenC booster and second MMR dose.*

Figure 7



By a child’s 5<sup>th</sup> birthday, children in Wales are scheduled to have had vaccinations to protect against:

- Diphtheria, Tetanus, Pertussis (Whooping Cough) and Polio - (4 in 1 booster)
- Influenza and meningitis-C
- Measles, Mumps and Rubella; collectively known as MMR.

These are all conditions that can lead to severe complications and even death if left untreated. Vaccinating children against these illnesses is crucial for protecting both vaccinated individuals and those who cannot receive the vaccine. It helps prevent outbreaks, ensures herd immunity and reduces the risk of serious complications including meningitis, pneumonia, encephalitis and hearing loss.

Although there have been some quarterly fluctuations, the long-term trend has gradually been decreasing since 2021. Coverage of children residing in CTM who have received their scheduled immunisations by age 5 has ranged between 89.2% and 90.2% during Quarters 1 to 3 of 2024-2025 (data for quarter 4 will not be available until July 2025). As shown in the table below uptake of the vaccines has varied considerably throughout our Local Authority areas:

Figure 8

Age 5 scheduled vaccinations as at Quarter 3, 2024/25	
Merthyr Tydfil LA	85.6%
Rhondda Cynon Taf LA	90.3%
Bridgend LA	91.8%
<b>Cwm Taf Morgannwg UHB</b>	<b>90.1%</b>

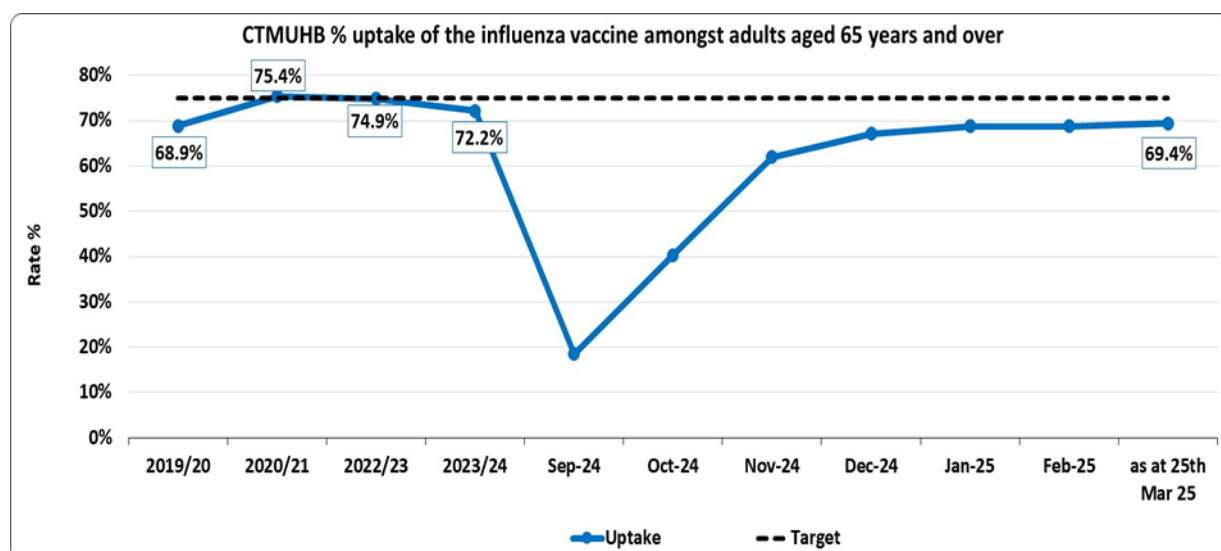
(n.b. 95% uptake of 2 doses of MMR is needed to prevent transmission and smaller outbreaks of measles have been identified in Wales in the past 2 years.)

In order to improve MMR vaccination uptake, we offered missing doses during the Fluenz catch up programme. However, our ability to achieve a 95% uptake in vaccination has been challenging given:

- The wider range of languages and communication requirements within our population.
- Vaccine hesitancy, driven by the limited awareness and understanding of the value of vaccination by parents, and confounded by the dissemination of disinformation by Vaccine Deniers.
- Vaccination fatigue post Covid 19 Pandemic.
- The non-mandatory nature of the vaccination.
- A lack of accurate vaccination history and poor availability of population information.

### Measure 3: Influenza vaccine rates amongst adults aged 65 years and over

Figure 9



Influenza, caused by various strains of the influenza virus, is a common respiratory illness that can lead to severe complications, especially among young children, the elderly and individuals with underlying health conditions. Annual

outbreaks of influenza result in millions of cases worldwide, leading to hospitalisations and deaths.

High vaccine uptake reduces morbidity and mortality associated with influenza and is evidenced to reduce hospitalisations. The complete annual campaign data for 2024-2025 is not yet available, however as at 25<sup>th</sup> March 2025, we succeeded in delivering influenza vaccinations to 69.4% of our eligible adults who are aged 65 years and over.

Based on our management data CTMUHB is expecting to fall just short of the desired target of 75% in 2024-2025, a situation that has been affected by several challenges, namely vaccine fatigue. Across all health boards and vaccination campaigns there is an increasing apathy towards vaccination, particularly since the Covid 19 pandemic. However, supported by Vaccine Programme Wales and in line with CTMUHB's vaccine equity strategic plan, the establishment of a group to promote vaccine literacy will support CTMUHB's specialist immunisation teams in engaging with public groups to raise awareness and counter misinformation.

The winter flu campaign was also impacted by the introduction of the year-round RSV campaign; however, planning is underway to resource support for the winter campaign of 2025-2026 to work with primary care providers.

Community pharmacies continue to balance an increasing demand for clinical services against limited resources including trained vaccination staff and appropriate consultation space. CTMUHB will continue to support the national community pharmacy premises improvement grants program, which saw seven pharmacies awarded funding to increase and optimise consultation room facilities in 2024-2025.

CTMUHB will also continue to encourage pharmacy contractors to accredit staff and increase the number of vaccinators available within community pharmacies.

## Focus area 2: Operational Performance

### Planned Care - Care Group

During 2024-2025, Planned Care directorates achieved some notable and significant service improvements. Key developments include:

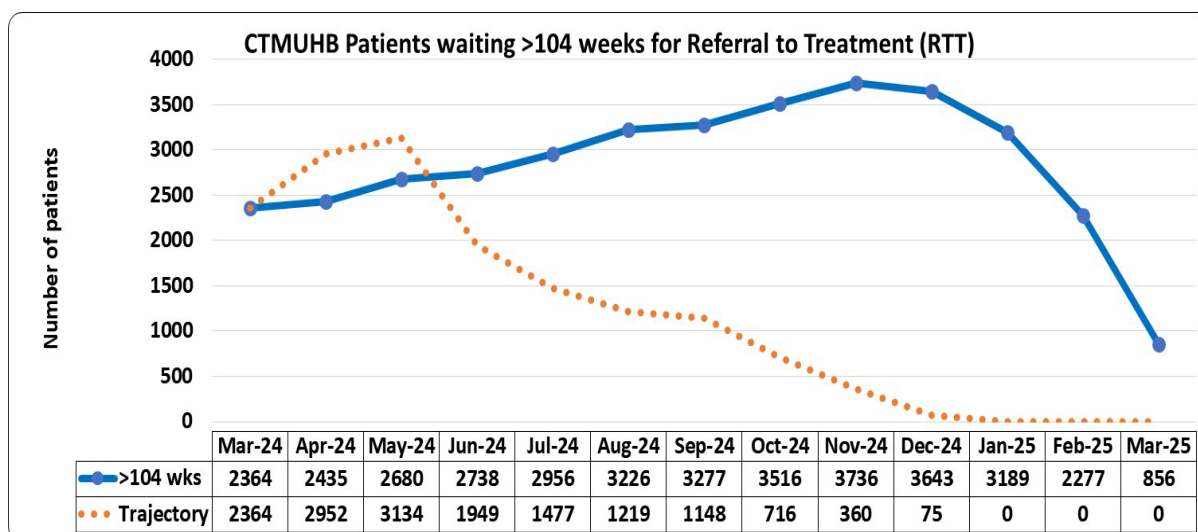
- Implemented a one-stop Breast service from the purpose-build Snowdrop Centre on the Llantrisant site;
- Increased elective theatre capacity at the Royal Glamorgan Hospital (RGH) by opening an additional operating suite;
- Improved overall Single Cancer Pathway (SCP) compliance from 49% in April 2024, to 64% in December 2024 (latest available figures);
- Improved both Breast and Dermatology SCP compliance to greater than 90%;
- Increased both outpatient and elective capacity through productivity improvements driven via a dedicated Improvement programme;
- Successfully piloted a 'High Volume, Low Complexity' elective arthroplasty programme, reducing length of stay and improving experience for patients;

- Delivered phase one of implementation for the Glaucoma diagnostic hub;
- Through emergency planning consolidated acute Trauma admissions onto two main sites (North and South) as an interim measure;
- Opened an additional Endoscopy theatre.

For the Planned Care-Care Group, CTMUHB measures against patient waiting times and cancer treatment compliance and their performance has been captured below.

**Measure 4: Reducing the number of patients waiting over 2 years for a planned operation**

Figure 10



Over the course of 2024-2025 CTMUHB provided 17,475 elective inpatient and day case procedures, a 3.6% reduction on 2023-2024 and delivered 490,552 outpatient consultations, a 7.4% increase on 2023-2024 outturn of 456,567. This resulted in CTMUHB reducing the number of patients waiting in excess of 104 weeks, reducing from 2,364 to 856 patients (a reduction of 64%) over the course of the year.

In October 2024, CTMUHB were forced to declare a critical incident at the Princess of Wales Hospital (PoWH), which subsequently resulted in the loss of eight surgical theatres and one-hundred and eight elective beds (gross) - which, as expected, has had a significant impact on the Health Board’s ability to achieve the necessary levels of elective activity to meet its ministerial targets. A collaborative recovery programme was launched in November 2024, and with the support of both insourcing and outsourcing, the Health Board are projecting to clear the 104-week breach position by the end of March 2025 in all but two elective areas.

To compensate for the loss of the eight operating theatres, CTMUHB has put in place a range of initiatives which included:

- Expansion of inpatient operating on the RGH site and standardisation of operating procedures across CTMUHB.

- Outsourcing patients to alternative providers from the private sector and establishing insourcing agreements with 3 private providers. This insourcing contract provided CTMUHB with additional capacity in Orthopaedics, Ophthalmology and Gynaecology.
- CTMUHB’s surgical teams providing additional treatment capacity over and above their NHS contracts as Waiting List Initiatives. This capacity was essential to treating the longest waiting patients and our higher risk patients.
- Continuing our regional partnership working with the Cardiff & Vale University Health Board and Aneurin Bevan University Health Boards, which has provided cataract operations to over 1000 CTM residents.

Prior to the critical incident, CTMUHB increased the activity delivered to our elective patients by 3.3% for outpatients (Apr-Nov 23 vs Apr-Nov 24) and 6.6% for surgical procedures (Apr-Oct 23 vs Apr-Oct 24). This was achieved through a range of productivity and improvement initiatives including the launch of the PIT programme. CTMUHB intends to continue driving our productivity agenda forward which will be further aided by the reintroduction of elective activity at the PoWH.

**Measure 5: Reduce the number of patients waiting in excess of 62 days to start definitive cancer treatment from the point of suspicion**

In the UK, 1 in 2 people will be diagnosed with cancer in their lifetime with many people going on to survive cancer and lead healthy lives. Every year around 19,850 people in Wales are diagnosed with cancer. Due to earlier diagnosis and treatment and breakthroughs in research, cancer survival in Wales is improving, with 58.5% of people surviving their cancer for five years or more.

Figure 11

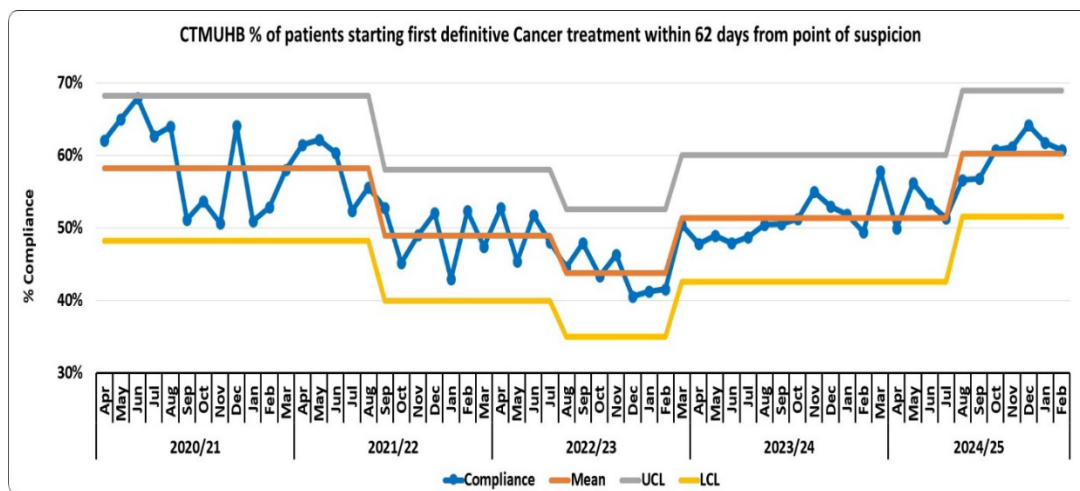
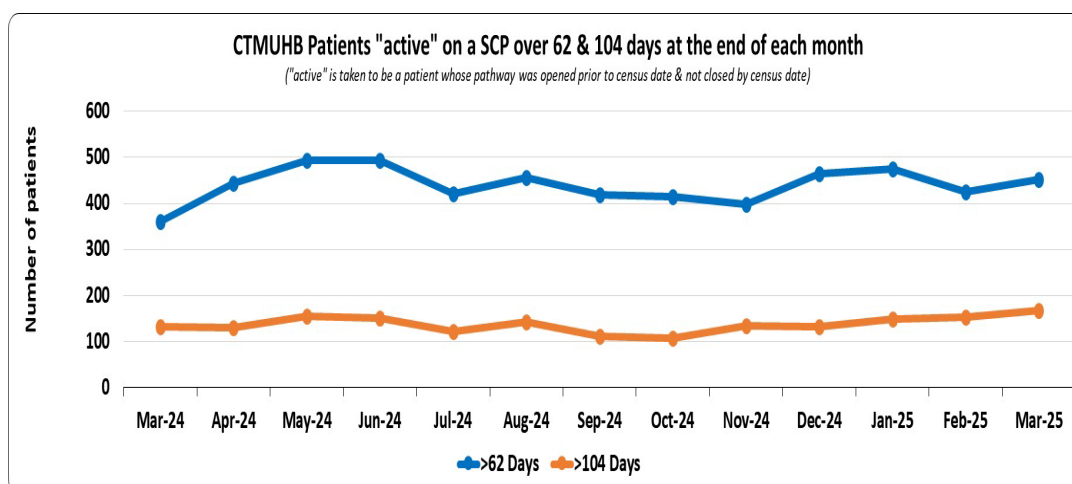


Figure 12



CTMUHB measures improvement in access times by monitoring the proportion of cancer patients treated within 62 days and the number of cancer patients at the end of each month who had yet to commence treatment and had been waiting in excess of 62 and 104 days.

As is shown in the top chart, during 2024-2025 improvements in access have been made in increasing the proportion of our patients who commenced treatment within 62 days, with the rate increasing from 57.9% in 2023-2024 to 60.7% in 2024/25. However, there has been no statistically significant change in the number of patients in a cancer pathway waiting for more than 62 and 104 days, with the March 2025 position seeing 167 patients waiting more than 104 days and 446 patients waiting 62 days.

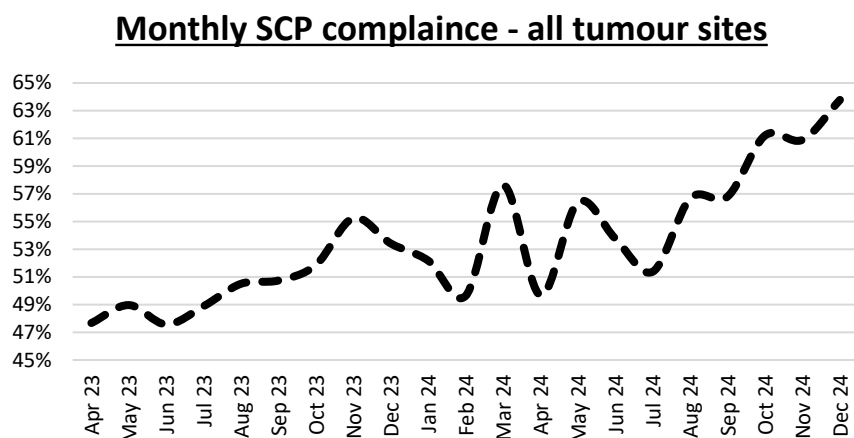
The increased and sustained improvement in performance of the 62-day pathway has been driven by several initiatives including:

- A sustained focus on reducing the time to first outpatient appointment (29% being seen within 10 days of date of suspicion of cancer in March 2024 compared to 46% in March 2025)
- Increased volume of patients being seen in diagnostic one stop clinics (e.g. in breast 75% of patients were seen by day 29 in March 2024, now 75% are seen by day 14 in March 2025)
- A 14 days maximum waiting time for patients to receive radiology scans and have their case reported.
- Rollout of digital vetting to more specialties.
- The continuing outsourcing of pathology specimens, as a means of increasing overall levels of activity.

Many Cancer services made significant improvements and CTMUHB continues to work toward achieving an 80% SCP compliance across all areas and reducing the 62-day backlog. Planned Care recovery allocations will reset for 2025-2026 allowing additional activity to continue. Services are supported with their SCP performance and backlog clearance at weekly focused sessions, and these will continue throughout 2025-2026, with services working through their demand and

capacity trajectories, identifying gaps, and putting robust mitigation plans in place.

Figure 13



Despite the significant challenges faced by CTMUHB over the past twelve months, including the declared critical incident in October 2024 during the approach to winter, notable progress has been achieved in planned care recovery programmes and improvements in cancer performance. As a result, CTMUHB has met the required de-escalation performance criteria, leading to the Welsh Government's decision to reduce the escalation level of their cancer services and planned care performance from level four to level three.

A level three escalation indicates that health boards will continue to be subject to ongoing monitoring, scrutiny, and potential intervention from the NHS Executive if necessary.

**Measure 7: Hip Fracture – Key steps in recovery from injury**

Fragility fractures occur worldwide and are estimated to affect 1 in 3 women over the age of 50, and 1 in 5 men, and can cause significant impacts for a person's quality of life, including psychological, social and economic factors. In addition, following a first fracture, there is a 1 in 3 chance of sustaining another fracture within 12 months. The high incidence of fragility fractures can result from lack of primary preventative measures that improve and maintain good bone health; poor identification of and untreated osteoporosis. Fragility fractures not only increase pressure on NHS services but can have an immeasurable cost to individuals and their family.

Hip fractures are the most common serious injury affecting older people – nearly all require urgent anaesthesia and surgery, and all require coordinated multidisciplinary care and rehabilitation.

The National Hip Fracture Database (NHFD) examines the experience of people presenting to hospital after a hip fracture; aiming to improve their care by providing live casemix, performance and outcome data to clinical teams, hospital managers and the general public as shown in the table below:.

Figure 14

**National Falls & Fragility Fracture Audit Programme**

Annualised values based on cases averaged over 12 months to end of December 2024 (except KPI's 6 & 7 which are delayed to allow for follow up data to be included). Source National Hip Fracture Database

Key Steps	KPI - Expected WG target of 75%		Wales Average	NHFD overall performance	PCH	RGH	POW	CTMUHB
					Average cases			
					231	318	228	777
Getting to the right place	0	Admission to specialist ward	13%	9%	36%	8%	33%	24%
	1	Prompt orthogeriatric review	72%	89%	0%	0%	56%	16%
Getting up after surgery	2	Prompt surgery	55%	58%	71%	55%	80%	67%
	3	NICE compliant surgery	67%	70%	54%	70%	59%	62%
	4	Prompt mobilisation	75%	82%	62%	57%	73%	63%
	5	Not delirious post op	60%	66%	0%	1%	77%	23%
Getting back home again	6	Return to original residence	75%	74%	75%	65%	74%	71%
	7	Bone medication	58%	51%	1%	12%	52%	21%

RAG Rating Definitions	
Red: Greater than 10% below 75% expectation	R
Amber: Within 10% of 75% expectation	A
Green: At or above 75% expectation	G

**Key Performance Indicator (KPI) Summary for Hip Fractures:**

- 0 Admitted to specialist ward - With nerve-block within 4 hours:**  
Overall, 24% of patients were admitted to a specialist ward in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK average of 9%. Each acute hospital in CTMUHB endeavours to keep a dedicated hip fracture bed on each orthopaedic ward, however patient flow and bed availability pressures makes this difficult to maintain.
- 1. Prompt orthogeriatric assessment - Assessed by a senior geriatrician (ST3+) within 72 hours of presentation:**  
Overall, 16% of patients received prompt orthogeriatric assessment in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK average of 89%. There is currently no Orthogeriatric service in the Prince Charles (PCH) and Royal Glamorgan hospitals (RGH), although progress is being made in developing a service model. An Orthogeriatric Consultant has been appointed at the Princess of Wales Hospital (PoWH), and whilst improvements have been noted, the critical incident declared at the hospital during October 2024 will impact performance for the year.
- 2. Prompt surgery - Surgery by the day following presentation with hip fracture:**  
Overall, 67% of patients received prompt surgery in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK average of 58%.

Over the past year at both PCH & RGH an all-day trauma list; six days a week has been implemented with improvements observed, particularly in PCH. However, at PoWH, despite good compliance in this area, there were and number of challenges affecting performance such as theatre staff shortages and lack of junior medical staff.

- **3. National Institute of Clinical Excellence (NICE) compliant surgery - Surgical procedure consistent with the recommendations of NICE CG124:**

Overall, 62% of patients received treatment in line with NICE guidelines in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK average of 67%. Until recently at PCH, uncemented emiarthroplasties for hip fractures were used, however, changes are being implemented to a cemented version as per the NICE recommendations. At PoWH, there is some difference of opinion on preference of treatment, as well as inconsistent classification of the fracture type and data quality issues which is reflected in the performance result for this KPI. Plans are underway to review the diagnosis and improve the data quality.

- **4. Prompt Mobilisation after surgery - Mobilised out of bed (standing or hoisted) by the day after operation:**

Overall, 63% of patients were promptly mobilised in CTM, comparing with the Welsh Government expected standard of 75% and the UK average of 82%. The multi-disciplinary teams are made aware of mobilising all patients on day 1 of post-operative surgery. Regular training and education is given to the nursing & physiotherapy staff, although at POW this has been impacted by the critical incident.

- **5. Not delirious when tested - Not delirious (<4 on 4AT test) when tested in the week after operation:**

Overall, 23% of patients were reported to be non-delirious in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK average of 66%. Education in this area continues at RGH, but improvements will not be realised until there is an Orthogeriatric service, whereby regular review would improve this aspect. At PoWH improvements have been seen with the Orthogeriatric team now in place.

- **6. Return to original residence - Discharged back to original residence, or in that residence at 120-day follow-up:**

Overall, 71% of patients returned to their original pace of residence in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK average of 74%. The shortage of staff in the community as well as bed shortages results in longer lengths of stay at our acute sites, delayed discharges and delayed support to facilitate patients being able to return to their original place of residence.

- **7. Bone protection medication - Either i.v. medication at discharge or at 120-day follow-up:**

Overall, 21% of patients received bone protection medication in CTMUHB, comparing with the Welsh Government expected standard of 75% and the UK

average of 51%. The lack of Orthogeriatrician provision or Fracture Liaison Service at PCH & RGH is impacting the performance in this area. At PoWH, with an orthogeriatric team in place, improvements are being made, but will take time to be reflected in the yearly rolling data. Once more, the critical incident will impact this KPI in the year ahead.

## **Productivity, Improvement & Transformation**

A refined focus on productivity partnered with continuous improvement can drive significant efficiencies and help address the growing pressures that the healthcare sector is experiencing. Additionally, by utilising existing resources whilst managing costs pressures, the health board can maximise its capabilities and deliver enhanced services without the reliance on additional funding.

In January 2025, CTMUHB formally launched its Productivity, Improvement & Transformation Programme, with the overarching goal of increasing both new outpatient capacity and elective surgical capacity. This will be achieved through greater efficiency, enhanced data utilisation, and continued workforce development, helping to further improve both quality of care and outcomes for our residents.

Six clinically led, cross-cutting Improvement Boards have been established across Outpatient Services, Diagnostics, Pre-Operative Assessment, Theatres & Anaesthetics, Therapies & Audiology, and Cancer Services. These boards will oversee the delivery of all improvement workstreams pan-CTM, with an emphasis on increasing both productivity and efficiency within the envelope of existing resource.

It is the collective responsibility of each board to understand performance, identify areas that require improvement, and devise plans to achieve that improvement. Each board will centralise all local initiatives and oversee delivery of the improvement agenda. This will empower localised, evidence-based, data-driven decision making aligned to future service developments.

CTMUHB see this as an opportunity to transform the way services are both designed and delivered across our footprint, maximising our outputs, and ensuring our residents at the centre of all our strategic goals.

**Measure 6: Quick Access to Emergency Department Services**

Figure 15

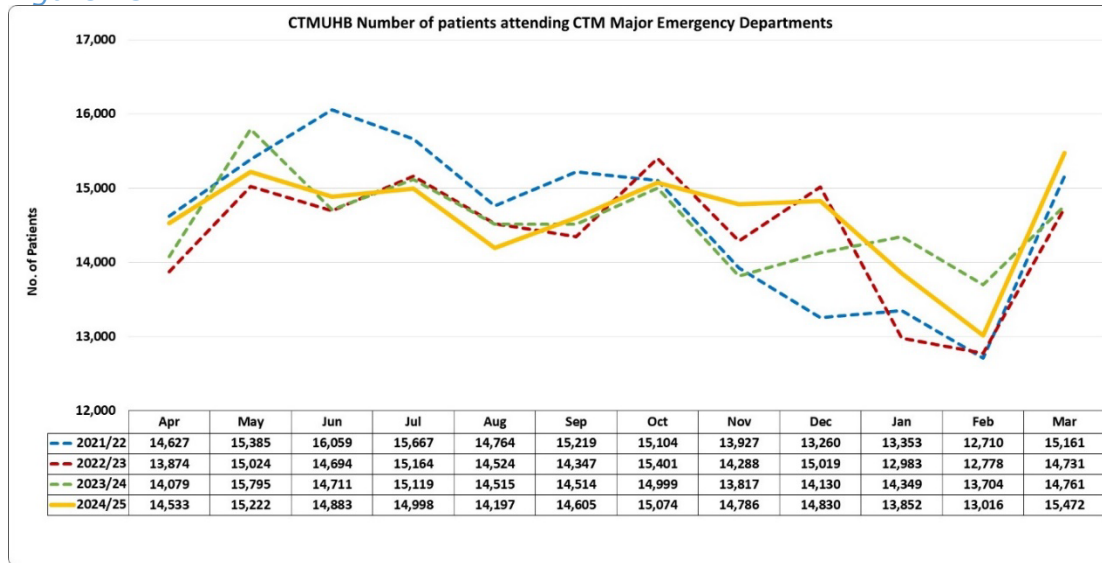
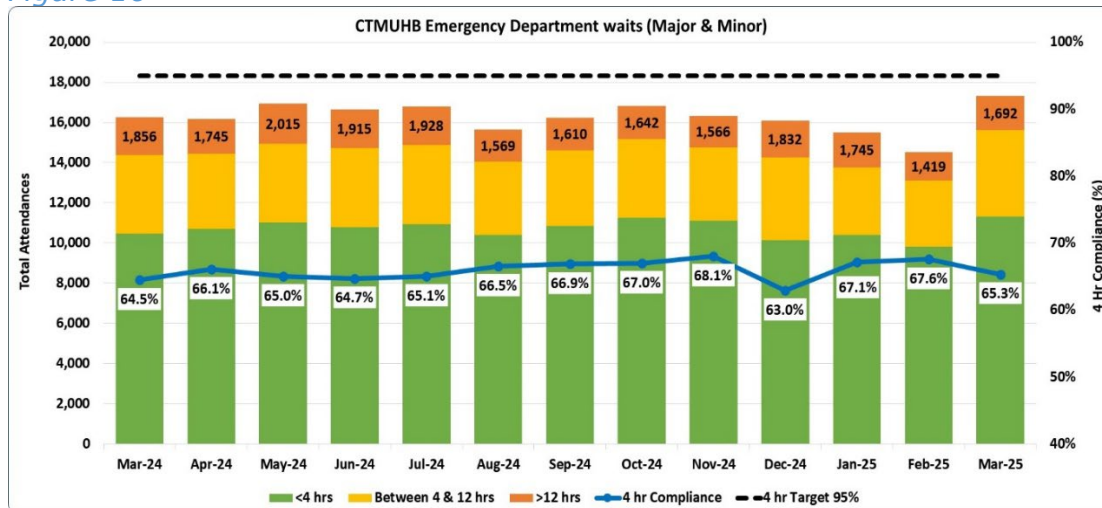


Figure 16



Treating patients within 4 hours in Emergency Departments is crucial to ensuring timely access to care, which can significantly impact patient outcomes. Delays beyond this timeframe can lead to worsening conditions, increased complications and even mortality in severe cases. The benefits of timely treatment help the UHB to manage hospital resources effectively and maintain the flow of patients through the Emergency Department.

During 2024-2025, CTMUHB provided 195,072 attendances in our Emergency and Minor Injury Departments, representing a 1% growth on the previous year. Activity in our Major Emergency Departments saw a slight increase of 0.6% to 175,468 attendances, with our Minor Injury Units observing a 5.3% increase from 18,616 to 19,604 attendances.

The proportion of patients spending less than 4 hours within our Emergency Departments and Minor Injury Units improved from 64.2% in 2023-2024 to 66.0% for 2024-2025, with the number waiting in excess of 4 and 12 hours decreasing from 69,222 to 66,303 and 21,570 to 20,678 in 2024/25 respectively.

The increase in Minor Injury Units compared to acute hospitals within CTMUHB reflects an increased recognition of CTMUHB's intention to provide care closer to home and to utilise our Minor Injury Units more efficiently. As part of the national Six Goals for Urgent & Emergency Care programme, CTMUHB has made a sizeable investment in Medical Same Day Emergency Care, which has resulted in over 19,000 attendances being seen and treated in this way during 2024-2025 and there has been a degree of success in improving flow by the introduction of the navigation hub and the D2RA (Discharge To Recover and Assess) pathways.

Despite these, there remain several systemic challenges to transforming unscheduled care with the key constraint being the sustainability and accessibility of social care services.

### *Six Goals for Urgent and Emergency Care*

Delivery of strategic objectives aligned with national and local priorities for urgent and emergency care governed by Six Goals Programme has been conducted in partnership with health and social care, aiming towards an efficient and integrated approach in the way we deliver care and quality-driven outcomes for patients in our communities.

The collaborative approach between secondary and primary care, communities and social care partners (Bridgend County Borough Council, Merthyr Tydfil County Borough Council and Rhondda Cynon Taf County Borough Council) is aiming to transform in hospital and out of hospital care. The programme's scope includes provision of urgent care that is responsive to patient needs and integrated within the model of care included in local project plans for areas that cross boundaries of health and social care provision.

The delivery of the Six Goals objectives includes several system enablers which will support overall strategy, these include information technology and analytics. The aims of the programme enable sustainable integration and simplification of the system. The key principles set out in the programme scope for transformation of urgent and emergency services are to ensure they:

- Are easy to navigate
- Deliver urgent and emergency care as close to people's homes as possible
- Meet national requirements and standards
- Align with transformational changes in the region

During 2024-2025, as a system we have worked towards achieving agreed objectives aligned to four ministerial priorities:

**Priority 1: Delivery and implementation of a 24/7 Urgent Care Service, accessible via 111 Wales to support improved access and General Medical Services (GMS) sustainability (Workstream 1: Goal 1, 2 and 3)**

The Clinical Navigation Hub, which serves as a Single Point of Access, provides a multidisciplinary approach to urgent care delivery. It offers clear pathways for remote clinical assessment and advice before deciding to convey or attend the Emergency Department. This includes inbound calls from paramedics on scene for higher-level clinical advice and remote triage cases pulled directly from the ambulance stack.

The Clinical Navigation Hub team includes therapies, paramedics, and Mental Health practitioners. They simplify access to services by offering clinicians advice and guidance to support home visits and onward referrals, ensuring patients receive the right care quickly and safely. This service includes mental health support, district nursing, urgent dental calls, professional clinical advice, and Covid antiviral assessment services. There are direct pathways with the Welsh Ambulance Services Trust for referral to Same Day Emergency Care (SDEC) services for conditions like Deep Vein Thrombosis, early pregnancy, and specialty care at RGH.

Additionally, the Navigation Hub team refers patients to a range of secondary care services, including Same Day Emergency Care (SDEC), Acute Medical Units (AMU), Emergency Departments, community and primary care services, and local authority services for assessment, aids, adaptations, and care packages.

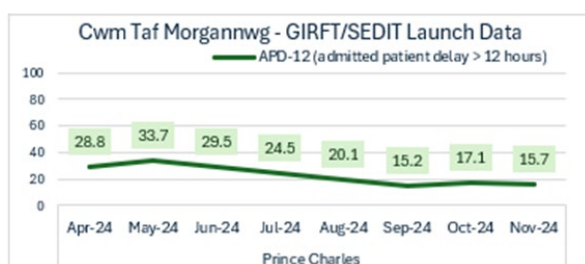
Between January 2024 and January 2025, the Clinical Navigation Hub received 7592 calls, resulting in 6477 avoided conveyances to Emergency Departments, achieving an 85% success ratio.

**Priority 2: Implementation of Same Day Emergency Care (SDEC)/direct access pathways/Workstream 2: Goal 3 & 4**

2024 had seen a completion of operational embedding of new SDEC unit and service in PCH and reset of Acute Medicine Footprint across CTMUHB through delivery of Strategic Transformation of Acute Medicine Programme (STAMP) which will be further progressed in 2025 in RGH, Llantrisant and PoWH, Bridgend. In total, 13960 patients have received care in Medical SDEC services across CTMUHB.

To support high activity levels in the Emergency Department (ED) at PCH in Merthyr Tydfil, the Urgent Treatment Centre was set up to provide additional clinical capacity or patients presenting in Emergency Department with lower acuity. The pilot has been very successful and contributed to reduction of 12 hr breaches in ED (patient awaiting admission to inpatient area following clinical decision).

Figure 17



2024 had also seen a successful ward reconfiguration and the creation of a Surgical SDEC, Surgical Assessment Unit (24hrs) and Surgical Assessment Unit for up to 72hrs stay on Ward 9 in RGH, which became operational in September 2024. The model is aimed at streaming the surgical patients at point of triage at the front door or by the surgical Acute Care Practitioners through direct GP calls to the Surgical SDEC or Surgical Assessment Unit. The model provides streamlined access to patients requiring acute surgical intervention and reduces unnecessary waits in Emergency Departments. In total, 4550 patients have received care in Surgical SDEC services across CTMUHB.

The Acute care of the elderly (ACE) unit was set up within the Acute Medical Unit (AMU) template in PoWH and an ambulatory frailty service established in RGH continue to deliver frailty service with a multidisciplinary comprehensive geriatric assessment and operates by in-reaching into AMU and Emergency Department (ED).

The Frailty consultant in PCH, provides delivery of our frailty ward and community link with the Stay Well @ Home team for acute frailty assessment and wrap-around care with investment in therapies posts supporting same day interventions.

**Priority 3: Continued commitment to the reduction of ambulance handover delays waits and safely reduce ambulance conveyance to Emergency Departments/Workstream 2 & 3: Goal 4**

The STAMP has had a very positive impact on front door flow to include flow through SDEC and acute medicine units for up to 72 hr assessment.

The implementation of the programme and reset of flow through acute medicine improved Emergency Department (ED) targets and assessment unit targets, providing a successful improvement methodology for further progression across all acute sites.

In addition to STAMP, Unscheduled and Primary Care & Community Care Groups are progressing implementation of Urgent Treatment Centre (UTC) in PCH to support demand in ED on site and subsequently contribute to improvement of 4 and 12 hr performance in ED, PCH. The service became operational in November 2024.

Operational and clinical management and Organisational Change Process Phase 2 has been completed in Quarter 2 (July – September 2024) which will ensure continuity, strategic and operational direction for Emergency Medicine.

In addition to STAMP and implementation of UTC, the improvement of Emergency Department metrics and reduction of ambulance handover delays has been supported by multiple activities and improvement plans to ensure efficient inpatient hospital flow, enabling timely discharge with 'home first' principle at the centre of discharge planning processes across acute and community hospital wards.

#### **Priority 4: Reducing Pathways of Care Delays (POCD) for patients who experience a Length of Stay >7 and >21 days/Workstream 3 & 4: Goal 5 & 6**

The large-scale roll out of the 'Optimise' education framework has taken place in 2024 across CTMUHB encompassing four pillars of effective flow and discharge, to enable an integrated approach to the delivery of optimal flow whilst ensuring safe and appropriate discharge for our patients with Home First as its principle. These pillars include:

- multidisciplinary board rounds using SAFER Patient Flow bundle in conjunction with the 'Red and Green Bed Days' approach with further embedding of discharge to recover then assess model and digital enablers i.e. electronic Whiteboards, electronic transfer of care to enable integrated approach to the delivery of optimal flow, safe and appropriate discharge for our patients with Home First as its principle.
- A 'Red and Green Bed Days' approach.
- Embedding a discharge to recover then assess (D2RA) model
- Digital enablers i.e. electronic whiteboards, electronic transfer of care.

'Red and Green Bed Days' are a visual management system to assist in the identification of wasted time in a patient's journey. Applicable to in-patient wards in both acute and community settings, this approach is used to reduce internal and external delays as part of the SAFER patient flow bundle. It is not appropriate for high turnover areas such as Emergency Departments, Assessment Units, Clinical Decision Units/Observation Units, and Short Stay Units where using Red and Green on an hours/minute's basis may be more appropriate.

All four pillars (SAFER, Red and Green, D2RA and digital enablers) together achieve cumulative benefits and when followed consistently, length of stay and delays in discharge planning (POCD) reduce, whilst patient safety and flow improves.

Our proportionate assessment digitalised in the form of electronic transfer of care enabled direct referral to domiciliary care providers in Rhondda Cynon Taf area and subsequently contributed to large reduction in delays and days lost in hospital. We have subsequently achieved intended targets set out by Welsh Government and Care Action Committee in March 2024.

Figure 18

Metric	Target	September 24	October 24	November 24	December 24	January 25
<b>Total delays</b>	15% (by Nov 24)	7% increase – target not reached	12% reduction – target not reached	18% reduction – target reached and exceeded	24% reduction – target reached and exceeded	20% reduction – target reached and exceeded
<b>Days delayed</b>	20% (by Nov 24)	18% increase – target not reached	5% increase – target not reached	23% reduction – target reached and exceeded	28% reduction – target reached and exceeded	24% reduction – target reached and exceeded
<b>Assessment Delays</b>	20% (by Nov 24)	2% increase – target not reached	38% reduction – target reached and exceeded	36% reduction – target reached and exceeded	31% reduction – target reached and exceeded	28% reduction – target reached and exceeded

In addition to this, in October 2024 CTMUHB commenced Super Stranded Command Panel reviews in PoWH in Bridgend and Community Hospitals (Ysbyty Cwm Cynon, Ysbyty Cwm Rhondda and Glanrhyd Hospital in Bridgend) as phase 1 of the delivery to review and expedite discharge delays for those patients with complex needs who had spent more than 100 days in our hospital beds. As a result, in PoWH the average running Length of Stay has reduced from 152 days to 120 days. We have progressed discharge of 15 patients with complex needs.

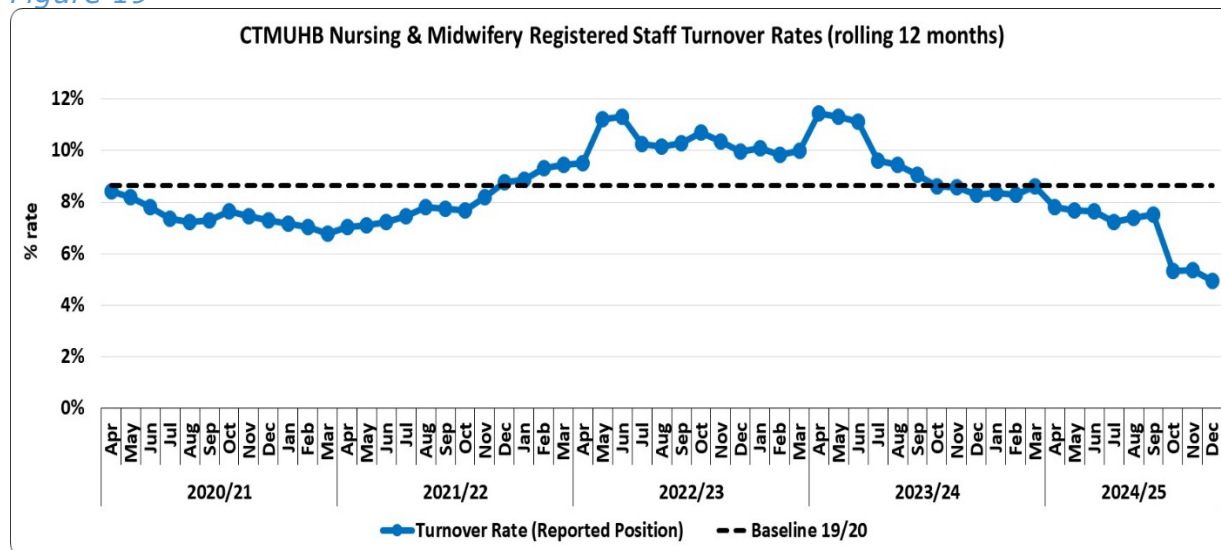
Community Hospitals have reduced the average Length of Stay from baseline in October 2024 at 79.9 days to 59.7 in January 2025.

### Children and Family Care Group

#### Measure 10: Nursing & Midwifery Turnover Rates

CTMUHB employs in the region of 4,216 nurses and midwives (3,770 WTE) and is carrying approximately 6% vacancies for this staff group, a position reflective of the complex local, national and international position regarding the shortage of registered nursing and midwifery professionals.

Figure 19



In order to maintain patient safety and effectiveness, the retention of nursing and midwifery staff is thus a critical operational requirement.

The Nursing & Midwifery staff turnover rates (which excludes retire and return), having greatly increased after the Covid 19 pandemic, has seen a marked reduction during 2024-2025 and as at December 2024 fell to 4.94%, sitting well below the 2019-2020 baseline target of 8.65%. As turnover is showing a positive downward trend this reduces the risk of losing skills, expertise and workforce.

Work-life balance and promotion remain the top two reasons for leaving and CTMUHB is focusing on improving flexible working and embedding the newly established lateral moves scheme as retention initiatives that will seek to improve these.

### Primary Care and Community Care Group

CTMUHB has embarked on an ambitious Transformation Programme for Primary and Community Services, its aim is to establish a sustainable model for primary and community care that underpins the future model of care across the CTM localities and align with the ACSP. The programme of work will develop the vision, a plan and will monitor the delivery of a transformation of primary and community across the footprint.

The Navigation Hub has gone from strength to strength, with an integral role in supporting performance and improved patient outcomes by preventing admissions where their needs do not require attendance at acute sites. This is achieved by hosting a range of services from GP Out of Hours (OOH) call handling and dispatch, district nursing call handling, 111#2 for mental health, urgent and emergency dental call handling etc. It is the first point of contact for Nursing Homes in the event they need to admit a patient into an acute hospital. The GPs will triage the patient and where possible preventing unnecessary admissions into hospital and help provide advice, treatment and or sign posting to another service. The average successful intervention rate is 86% over the year. The team is also

viewing the Welsh Ambulance Service Trust (WAST) ambulance list to see where it can intervene to support patients.

A Primary Care follow-up audit in 2018, resulted in reasonable assurance with several minor actions to be addressed. In response, the escalation of Primary Care reporting and its profile within the Board & Committee reporting structure has been strengthened, while more robust alignment cluster plans and priorities of CTMUHB are being developed.

The Prison Service (Parc Prison) was visited by HM Inspectorate of Prisons (HMPS) for inspection which included the health care provision. Overall, the assurance was gained in respect of the leadership team providing good oversight and understanding of ongoing risks and well-managed services, despite space constraints of the environment.

CTMUHB has retained a waiting list of patients who require urgent appointments for dentists and through working with the salaried dental services and individual practices it has been able to route patients to appointments. This CTMUHB managed process has now reverted at the beginning of February over to the Dental Access Portal (DAP) online.

CTMUHB has been working to develop an Enhanced Community Care (ECC) service by focusing on the development of a multi-disciplinary time-limited service that responds to a patient who requires additional support at home following discharge and who are at risk of crisis and need intervention to keep them supported at home. This has often been referred to as a 'virtual ward' as it provides a safe alternative to admission or being delayed in hospital for discharge. National benchmarking shows that ECC level 4 cares for patients with higher acuity and/or complexity and as a 'virtual ward' needs a variety of professionals as part of the team. It is targeted at people who would otherwise face unnecessary prolonged hospital stays or inappropriate admission to acute in-patient care. Investment has been made in employing additional domiciliary support workers who are a welcomed addition to the existing multi-disciplinary community team. The service is targeting patients who have;

- A planned outcome of maximising independence and typically enabling patients/users to resume living at home.
- A need for a time limited service, with a maximum time period of six weeks and can be as little as 1 day, with the key aim of moving the patient on to either the next appropriate episode of care or discharge as quickly and appropriately as possible.
- Multi-disciplinary needs. This service would be staffed by multi-professional health staff that will include Allied Health Professionals, Registered Nurses, Doctors, Social Workers, Multi-skilled Support Workers, Operational managers and support.

Other benefits of this service include:

- It will not duplicate or displace the local authority services.

- The ambition is the Single Point of Access for the service will be the Navigation Hub and they will sign post patients to the most appropriate professional and support.

### Diagnostics, Therapies, Pharmacy and Sciences (DTPS) – Care Group

During 2024-2025 the DTPS Care Group continued to work as a cohesive group, helping to embed newly transferred services into the Care Group whilst building on past successes to further develop and improve patient-centred care.

#### *Areas of achievements include:*

- Putting quality first with excellent compliance reports received from the Medicines and Healthcare Products Regulatory Agency (MHRA) and Human Tissue Authority (HTA) inspections; successful reaccreditation of Echo services at PoW and significant improvements made in waiting times for cancer diagnostics and in patients waiting over eight weeks.
- Prioritising our workforce, ensuring positive impacts on patient care, through the development of new clinical posts with appointments into: Clinical Director of Pathology; the first Professional Head of Radiography in CTMUHB and Malnutrition Strategic Lead post.
- Transforming clinical services by streamlining dispensing away from Ysbyty Cwm Rhondda (YCR) Hospital to enhance patient experiences and focusing resources on a gold standard frailty service in community hospitals.
- Embedding the Medical Examiner service, successfully introducing MRI for patients with pacemakers in collaboration with cardiac physiology staff. Therapies and Pharmacy services collaborations to develop a pharmacy technician oral nutrition support project with a competency framework and training provided by Dietitians.
- Demonstrable stakeholder engagement at local, regional, and national levels through high participation levels in the Staff Survey; Public Health Dietetics hosted multiple stakeholder events including a recent launch of the Rhondda and Taf Ely PIPYN project which saw over 100 partner organisations attend and commit to a whole system approach to healthy weights for Children and Young People in CTMUHB.

### Mental Health and Learning Disabilities Care Group

#### *Mental Health Improvement Plan*

The Mental Health and Learning Disabilities (MHL) Care Group is responsible for six adult inpatient services based at the RGH and PoWH. There have been concerns raised following Health Inspectorate Wales (HIW) Inspections and a HIW report 'Reviewing the Quality of Discharge Arrangements from Adult Inpatient Mental Health Units within Cwm Taf Morgannwg University Health Board', that was published in March 2023.

During 2024-2025, the Adult Inpatient Improvement Board further progressed its ambition to complete 38 out of the 40 HIW Discharge Review recommendations. Two recommendations are yet to be fully completed: the development of a single

electronic patient record system for the Mental Health Service and ensuring that all Mental Health policies are reviewed and in date. Both recommendations have seen significant progress this year with CTMUHB currently engaged in a procurement exercise to secure a provider to develop a single electronic system. This procurement is due to complete during 2025 and implementation will take place during the first half of 2026. In addition, a new system for policy review has been developed with a new dedicated policy intranet site available for ease of access for mental health staff. While all in-patient mental health policies are now in date with a robust process for review in place, there are a small number of broader mental health policies that are still outstanding but nearing completion.

This significant progress resulted in the Quality, Safety & Experience Committee taking the decision to end the inclusion of the Mental Health In-patient Improvement as a standing agenda item at the end of 2024 and in February 2025 the Improvement Board concluded that an Executive Chair was no longer required.

The Mental Health In-patient Improvement Programme continues to be chaired by the Mental Health Nurse Director and the programme reports to the Mental Health Quality Safety Risk and Experience Board (QSRE). The programme has evolved so that it is much more aligned to the National Patient Safety Programme. The new workstreams mirror the national workstreams:

- Safe Discharge
- Relational Safety
- Procedural Safety
- Environmental Safety
- Workforce and Culture

CTMUHB's Nurse Director also chairs the national Safe Discharge workstream and staff from the Mental Health Service are engaged in all the national workstreams that are either progressing national pilots and improvement projects or progressing the development of national standards and policies.

### *Improvements during 2024-2025*

This Care Group has seen some significant improvements during 2024-2025 as highlighted below:

- Children and Adolescent Mental Health Service (CAMHS) measures have improved and are being sustained. Both Part 1a (Assessments undertaken within 28 days) and part 1b (Therapeutic intervention started within 28 days following assessment), which have targets of 80%, have been above target, following focused work, since June 2024. Psychological Therapies, although below target, are performing competitively against all Wales means.
- Sustained improvement in the services provided to the young people of South Wales has seen the CAMHS, de-escalated from targeted intervention to routine monitoring arrangements over the course of the year. This achievement is a clear indication of the positive impact staff are having on the quality of care and services we provide. You can find the link to this recognised improvement below.

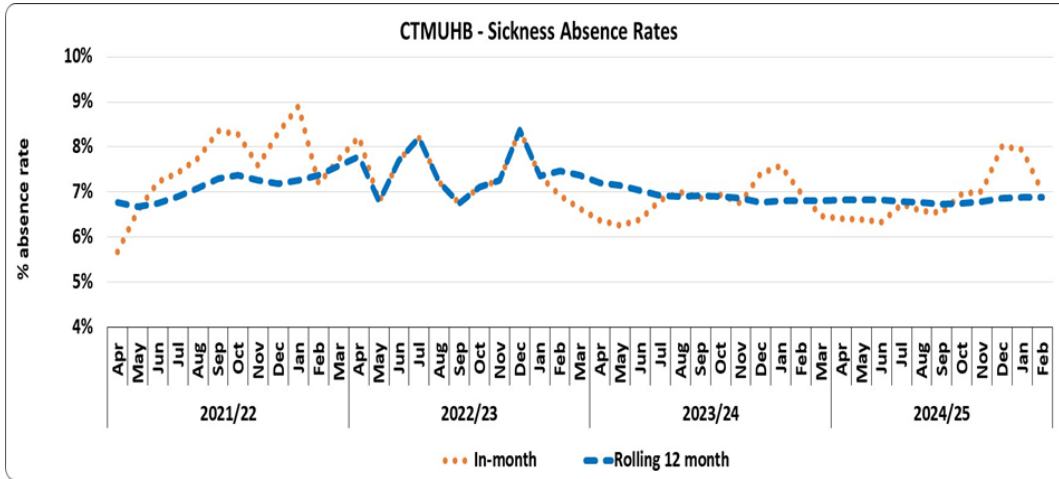
[Improvements in children's mental health services at South Wales health board | GOV.WALES](#)

- In Adult Mental Health, Part 1a and 1b have been delivered on or above target. A significant focus has been on Part 2 (Residents in receipt of secondary mental health services who have a valid care and treatment plan) where improvement has been seen, however further focused work is required to ensure that the improvement trajectory is maintained
- Psychological Therapies waiting times have remained flat across the year, despite an increase in referrals. The waiting list is now almost double the volume seen pre-Covid. Work has been undertaken alongside Welsh Government to review capacity to develop further ways (such as group therapy sessions) to meet demand.

Focus area 3: People

**Measure 8: Sickness Absence Rates**

Figure 20

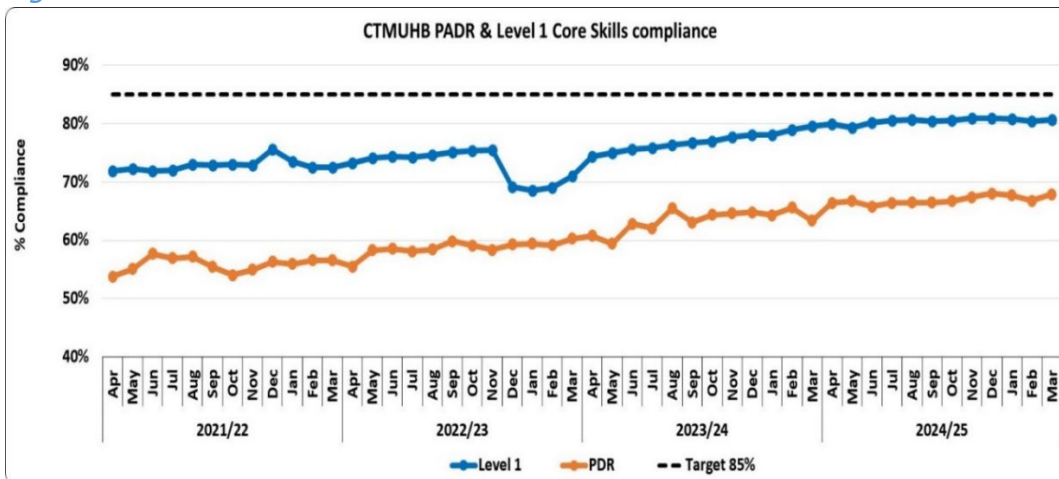


During 2024-2025 sickness absence has remained fairly stable, with the rolling 12-month sickness rates for the Health Board fluctuating between 6.7% and 6.9% during the year, equating to 284,121 WTE days lost to sick absence.

The primary reason for sickness remains anxiety, stress, depression or other psychiatric illness, resulting in 35% of the total days lost to sick absence. Throughout the year, the People Services Team (PST) have focussed on awareness, skills development and case management. Activities include weekly distribution of sickness absence levels by Care Group, advice and training on relevant policies and signposting to the wellbeing framework, Employee Assistance Programme and Occupational Health to support the achievement of a reduction in sickness absence rates.

**Measure 9: Performance, Appraisal and Development Review (PADR) and Level 1 Core Skills**

Figure 21



CTMUHB, like all NHS Wales organisations, has several mandatory training packages which staff are required to have undertaken at least tri-annually. The uptake of these training packages is seen as essential in improving the safety of our staff and patients and CTMUHB’s ability to comply with statutory and legislative regulations.

These level 1 modules provide an essential baseline in education and awareness, ensuring our staff have the core skills required to deliver safe and effective services and comply with statutory and legislative regulations.

Level 1 Core Skills compliance has improved in small increments throughout the year and as at March 2025 stands at its highest level of attainment of 80.7%. A breakdown by competency is shown below:

Figure 22

<b>CTM Level 1 Core Mandatory Training</b>	
<b>Equality, Diversity &amp; Human Rights</b>	<b>85.8%</b>
<b>Health, Safety and Welfare</b>	<b>85.7%</b>
<b>Safeguarding Adults</b>	<b>85.6%</b>
<b>Safeguarding Children</b>	<b>84.8%</b>
<b>Moving &amp; Handling</b>	<b>84.0%</b>
<b>Information Governance</b>	<b>81.6%</b>
<b>Fire Training</b>	<b>79.2%</b>
<b>Violence &amp; Aggression</b>	<b>79.2%</b>
<b>Infection Prevention and Control</b>	<b>77.1%</b>
<b>Resuscitation</b>	<b>64.4%</b>
<b>HB Overall Compliance</b>	<b>80.7%</b>

Although still short of the Welsh Government and CTMUHB target of 85%, level 1 compliance has continued to rise throughout 2024 and into 2025, reaching its highest ever level in CTMUHB in December 2024.

- A range of activities and programmes are contributing towards this increase, including:
- Subject Matter Experts and associated training teams providing greater numbers and increased access to training sessions.
- Increased training coordination support to maximise booking functionality within Electronic Staff Record (ESR).
- Design, implementation and facilitation of a CTMUHB-specific appeals process, enabling staff to ensure any additional competencies are relevant to their role.

CTMUHB’s compliance for staff who have received a Personal Appraisal & Development Review (PADR) increased from 66.4% to 67.9% during the year. CTMUHB has positively developed and piloted the “Making the most of PADR – *Your Conversation*” workshop and offers educational support to take staff through the PADR process. The workshop also strengthens the role of the manager and is being delivered with management teams across the Care Groups.

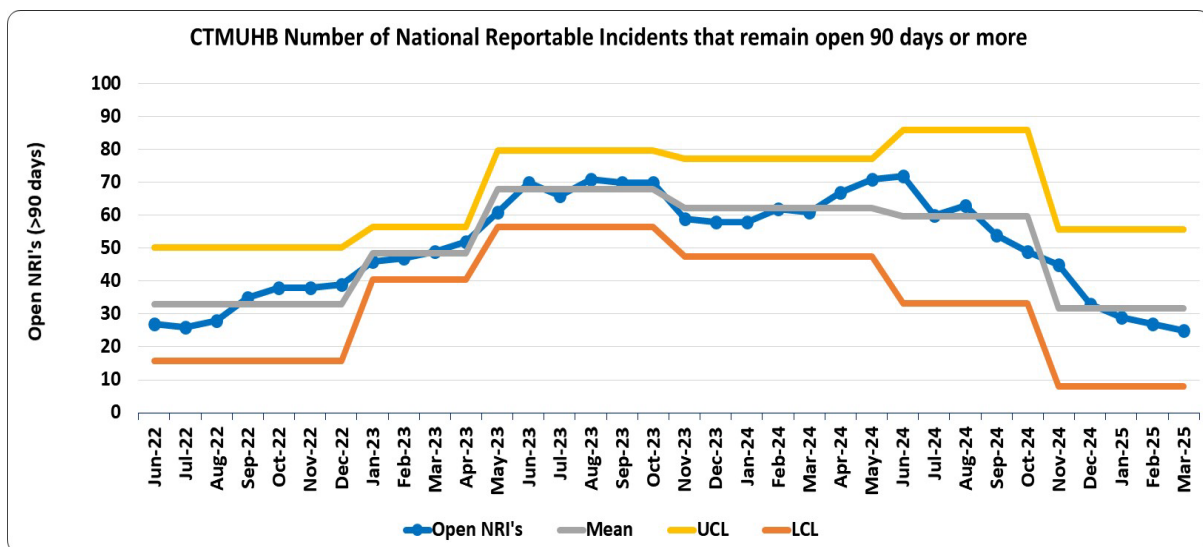
CTMUHB staff have access to a comprehensive PADR educational offer, taking staff through the PADR process from a systems (ESR), individual and manager perspective.

A series of initiatives are planned for the coming year to step further towards the Welsh Government and CTMUHB compliance target of 85%.

#### Focus area 4: Quality & Safety

### Measure 11 National Reportable Incidents open >90 days

Figure 23



Patient Safety incidents are defined as an unintended or unexpected incident that could have or did lead to harm for one or more patients or service users receiving NHS-funded healthcare.

As of March 2025, CTMUHB had 25 open Nationally Reportable Incidents (NRI's), that were overdue the timescale of 90 days for completion. This is a reduction from the 67 incidents overdue the timescale of 90 days for completion observed at the start of the financial year.

The NHS Wales National Policy on Patient Safety Incident Reporting outlines the requirement for the subset of patient safety incident that require national reporting to the NHS Executive. Organisations are required to have local processes in place which includes an assessment for national reporting that considers 5 key principles. These being Must Reports, outcome / harm, number of patients or services involved, learning opportunities and joint decision making around reporting and investigation.

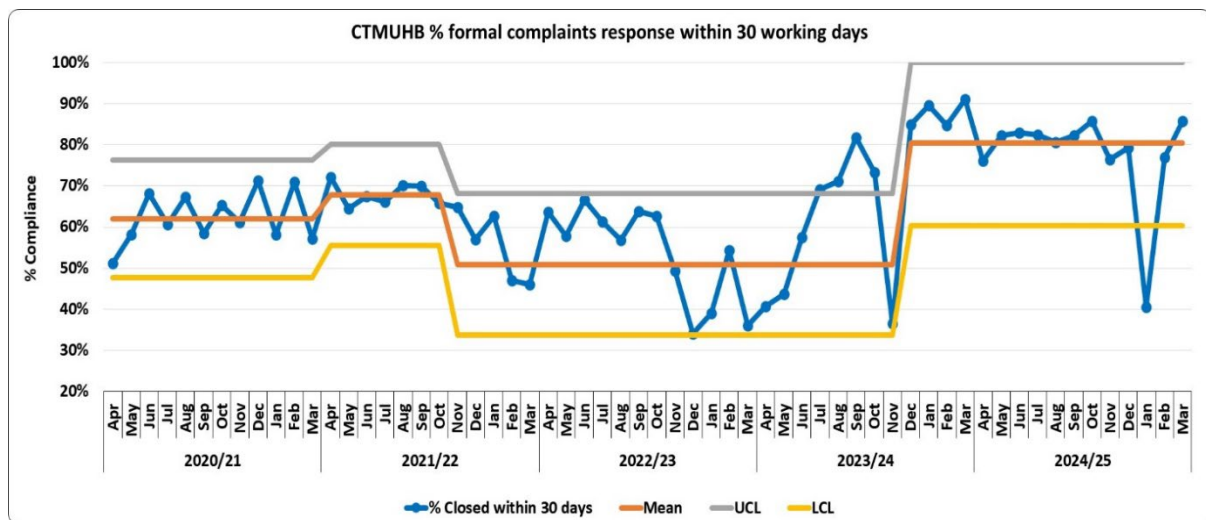
The process for the reporting and management of National Reportable Incidents is outlined in CTMUHB's Incident Management Framework. To facilitate this process supporting documentation continues to be developed and shared via the CTMUHB's SharePoint Pages. In addition, training continues to be provided which outlines the expectations for colleagues involved in the incident management and investigation process.

## Measure 12: Complaints Closed within 30 working days

During 2024-2025, the Health Board closed a total of 411 formal complaints managed under the Putting Things Right Regulations. Of those complaints, 78% were closed within the requisite timescale of 30 working days.

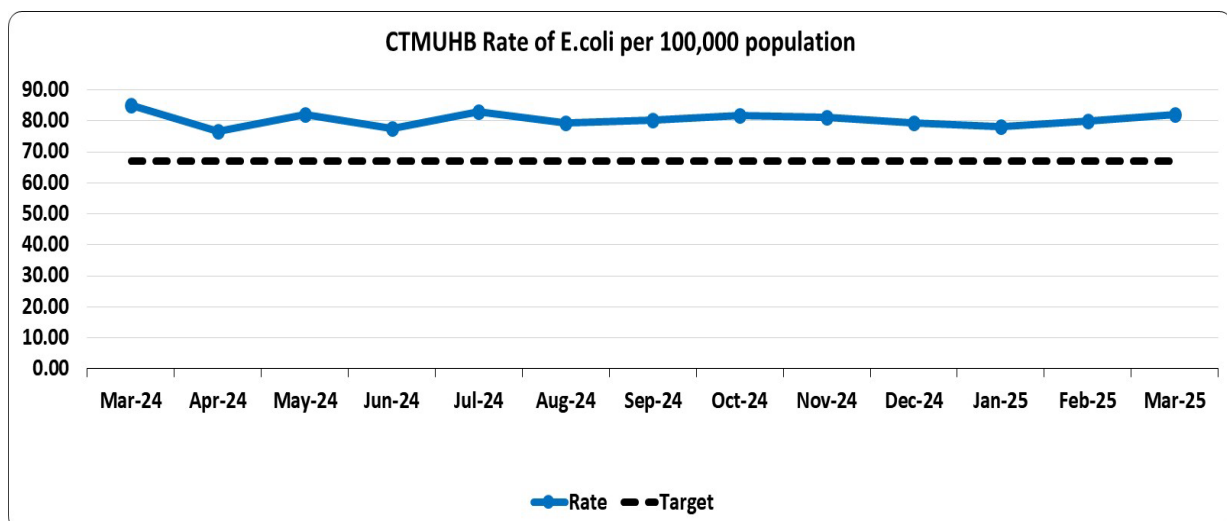
During January 2025, focussed work was undertaken to address the number of open complaints, specifically those over 30 working days. As a result of this work, compliance fell sharply during January, but improved thereafter to remain above the target of 75%, with March 2025 recording a compliance rate of 86%.

Figure 24



## Measure 4: Reduce the rate of E.coli Bacteraemia

Figure 25



E.coli bacteraemia, caused by the bacterium Escherichia coli, is a serious and potentially life-threatening infection that poses significant risks to public health and can be found in the blood stream. E.coli bacteraemia can lead to sepsis, a systemic inflammatory response syndrome that can progress rapidly and result in

organ failure and death if not promptly treated with appropriate antibiotics. Individuals with weakened immune systems, the elderly and those with underlying medical conditions are particularly vulnerable to the complications of E.coli bacteraemia. Prevention strategies such as proper food handling, infection control measures in healthcare settings, and judicious use of antibiotics are essential in reducing the prevalence and impact of this dangerous bloodstream infection.

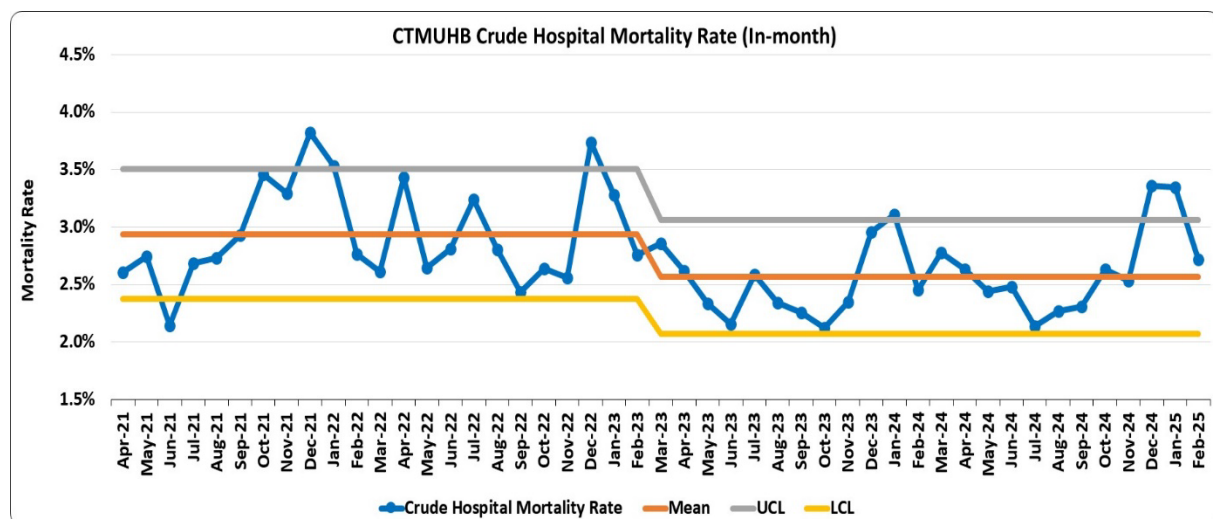
Between April 2024 and March 2025, 364 E.coli bacteraemia were reported by the Health Board. This is 14 (3.7%) fewer cases than equivalent period of 2023-2024. The provisional rate per 100,000 population for 2024-2025 is 81.98 and is above the WG set target of 67.00 per 100,000 population.

Community onset specimens (E.coli assumed to be acquired outside of a hospital environment) account for 80% of the total cases and a number of cases are linked to a urinary catheter. The UHB continues to implement the catheter passport (contains information that will help the individual care for their catheter at home and ensure carer/healthcare professionals have the right information) across CTM and is essential in ensuring we can achieve the WG goals for E.coli reduction in a sustainable way.

An Infection, Prevention & Control (IPC) huddle is arranged to discuss each preventable bacteraemia and learning is shared widely. Strengthening Aseptic Non Touch Techniques and IPC mandatory training compliance is essential in order to achieve the goal of reducing not just E.coli but other Gram Bacteraemia.

### Measure 5: Crude Hospital Mortality Rate

Figure 26



The crude hospital mortality rate measures the proportion of inpatient admissions into CTMUHB Hospitals that result in death within hospital. The rate is used as an indication of quality but is highly susceptible to several confounding factors such as counting practices, the ratio of elective to emergency admissions, the time of the year and the casemix of the patients we have been treating. It is therefore

complimented by several other methods and measures, with all in hospital deaths subject to case note review and a proportion to review by the independent medical examiner.

Figure 26 demonstrates the inherent seasonality within CTMUHB's mortality rate and the reduction from 2.9% to 2.7% over the 12-month period.

To aid quantitative approaches to monitoring and analysing trends in mortality, a digital solution to improve the efficiency and effectiveness of the mortality review process has been implemented and has been in operation since the start of 2024.

Key benefits of which are:

- the ability to improve access to the causes of death for patients dying in hospital
- the ability to link mortality data to the wider patient record
- and the ability to digitally include information pertaining to the death within the deceased's health record.

Data linkage between the reason for death stated on the death certificate and Health Board held information has been undertaken, which may re-enforce or inform our actions to reduce avoidable deaths and the Scottish approach to use Hospital Standardised Mortality Rates is being explored.

## Performance Overview from our Central Functions

### Our People

#### Workforce Modernisation, Productivity and Efficiency

In 2024-2025, we continued to drive strategic workforce planning, with a focus on workforce modernisation, productivity and efficiency. We are committed to developing robust workforce plans and creating more sustainable, flexible and affordable resourcing solutions, that meet the diverse needs of our population. Ensuring we have the right people, with the right skills, in the right place, doing meaningful work, at the right cost has never been more important given the increasing demands on the health and social care system and with societal and demographic challenges (including system wide workforce shortages).

Our priorities have centred on:

- reducing temporary staffing usage and spend
- building accurate and accessible workforce data, maximising use of technology
- enhancing our CTMUHB brand and our social media presence as an employer of choice, to attract the skills and expertise we need, whilst supporting, developing and retaining our current workforce through a variety of schemes and opportunities to encourage them to stay.

Specific areas of achievement in 2024-2025 have included:

- **Reducing temporary staffing usage & spend**
  - **Governance:** The Value and Effectiveness Portfolio Board, supported by the Nursing and Medical Productivity Programmes, oversees our multifaceted approach to this work
  - **Bank Modernisation & Improvement** work has resulted in the:
    - Removal of off contract nursing agency usage from September 2024;
    - Delivery of a focussed Mental Health - Health Care Support Worker Bank (HCSW) recruitment campaign to support the reduction of agency HCSW usage in Mental Health Areas.
  - **Rate Card:** Introduction of consistent and equitable extra contractual rate card for consultants.
  - We continue to mandate Retinue Direct Engagement for agency locums with associated reduction in VAT costs.
  - At month 10, total medical agency spends reduced on average by £530k a month when compared to the same period in 2023-2024. There has been a positive shift from agency to bank usage, as well as to an increase in substantive recruitment.

- **Accurate and accessible workforce data reporting**
  - **Data Architecture:** Implementation of the data architecture for a people data warehouse to enable one source of data for the organisation. This provides automated data feeds that provide the foundations to support easily accessible and relevant information that is available on demand. Work is ongoing to expand the data integration with all the people systems.
  - **Improved quality and availability of data:** through the implementation of automated reporting and Dashboards (e.g. Care Group and nursing dashboard). Partnership working across areas such as Finance, Care Groups, Digital and People Directorates to provide the holistic dashboards that meet users' requirements.
  - **Establishment Reporting:** established data flows for the financial data merged with Electronic Staff Record (ESR) data to produce automated vacancy reporting, which is in the process of being validated. Joint work is ongoing with Finance to produce establishment reporting at a person level, with the first focus on Medical and Dental Staffing. This work is bringing together multiple data sources including the payroll/finance ledger, ESR (Staff In Post (SIP), Sickness) and Job planning data to provide a holistic view of the workforce, in an automated and sustainable solution. This joint working will enable one source of establishment and vacancy data and ensure accuracy through the monthly finance budget reviews utilising the solution.
  - **ESR2** preparation work and engagement with the national programme
  - **Extensive Training** on the use of the dashboards to extract and bookmark data within PowerBI.
  - **Expanding the capabilities and capacity** with the People Directorate:
    - Working in Partnership with the National Data Resources team (NDR) to undertake a pilot of the Office for National Statistics (ONS) Exec Data Masterclass within the People Directorate. Work is underway to embed a data masterclass into the leadership programme to increase awareness and understanding that will support the organisation to be data driven.
    - Three staff enrolled on the NDR's Analytical Learning Programme
- **Optimisation of workforce systems and processes**
  - **Increased the use of Robotics Process automation (RPA)** reducing manual interventions. In addition, the use of RPA to enable the integration of data from the people systems that do not have data extract (Application Programme Initiatives (APIs) facilities available.
    - **Promotion of efficient and timely rostering** based on good practice principles and supported by training has led to improvements across roster management (including compliance of

roster approval/ finalisation/unavailability and audit and time balances).

- **Continued rollout of Wagestream** with increased flexibility for employees to have wider access to their additional earnings. 22% of our workforce are currently enrolled with 40,218 streams since our launch date. On average employees are streaming £155 each with the main reason being to cover bills. 1400 employees are using Wagestream's build savings account.
- **Successful roll out of 'Loop'** (employee rostering app), which replaced Employee Online. We have migrated 3750 users since implementation in July 2024. Work will continue to promote the benefits of staff managing their work life balance, viewing their roster, booking leave, as well as receiving direct communication from their workplace and allowing them the ability to communicate with colleagues.
- **Strategic Workforce Planning**
  - Continuing to build internal expertise and capability, through targeted training using evidence-based methodologies in key priority areas.
  - In partnership with Health Education Improvement Wales (HEIW), appointed dedicated support the progress and delivery of the Mental Health Strategic Workforce Plan.
  - Continued implementation of sustainable future workforce models, e.g. expanding and extending use of roles such as Physician Associates and Advanced Care Practitioners (ACPs).
- **Attraction, Resourcing & Retention**
  - **Widening Access:** Further integrating and expanding our pathways, widening access and apprenticeships offer, creating the conditions for people to develop, grow and improve their lives through learning. This includes apprenticeships, qualifications, supported internships and work experience.
  - **The dedicated retention lead** has driven the retention portfolio, in partnership, with key stakeholders reporting into the CTMUHB Multi-Disciplinary Team Retention Steering Group, which has strategic oversight. The focus is on engagement with the retention principles and successful delivery of our retention action plan. Plans are in development to evaluate activity to establish the impact on retention at CTMUHB.
  - **Retention Schemes** have included promotion of wider flexible working opportunities. Also further roll out of our Lateral Moves Schemes. In the last 12 months, 122 Band 5 nurses/midwives or HCSW Bands have requested to be considered for the Lateral Move

scheme who may have otherwise left CTMUHB. Plans to extend the Scheme across other staff groups is underway.

- **Turnover reducing:** Although turnover remains a challenge there has been a continued reduction in turnover rate from 11.65% in January 2025 to 10.17%. Nursing and Midwifery has also reduced further from 10.54% in January 2024 to 8.27% in January 2025.
- **Implementation of a Social Media strategy** for Attraction to enhance our employer brand, increase engagement and drive attraction efforts. Created 'on brand' bilingual content through images and videos, to raise awareness of our company culture, values, and career opportunities, showcasing CTMUHB as an employer of choice in South Wales. Primarily using the organisational social media platforms such as Facebook and LinkedIn, also developing a targeted CTM Facebook Jobs page which has gained 1200 followers in the first two months. This approach has successfully boosted traffic to our careers site, resulting in higher visibility for job vacancies and applications for key roles.
- **Building on the Join CTMUHB 'brand'**, we have worked closely with the central Communications team to strengthen the pre-existing 'Join CTM' brand, by enhancing its messaging, visual identity and reach across multiple platforms and materials. By having consistent messaging and visuals, 'Join CTM' will develop into a recognisable brand.
- **Increase visibility of CTMUHB as an employer** of choice within the community by strengthening partnerships and increasing engagement through internal and local events and presence at local careers fairs.
- **Feedback:** launched two questionnaires with new starters from the last 12 months to establish insights into motivations to join CTMUHB. Worked closely with colleagues across Employee Experience and Retention to implement the Joining Well survey for new starters in CTM, including some sections about 'Choosing Us' to assist with gathering regular data points to understand the reason(s) for choosing CTM and where they are viewing vacancies.

## Employee Wellbeing

### Employee Wellbeing Service

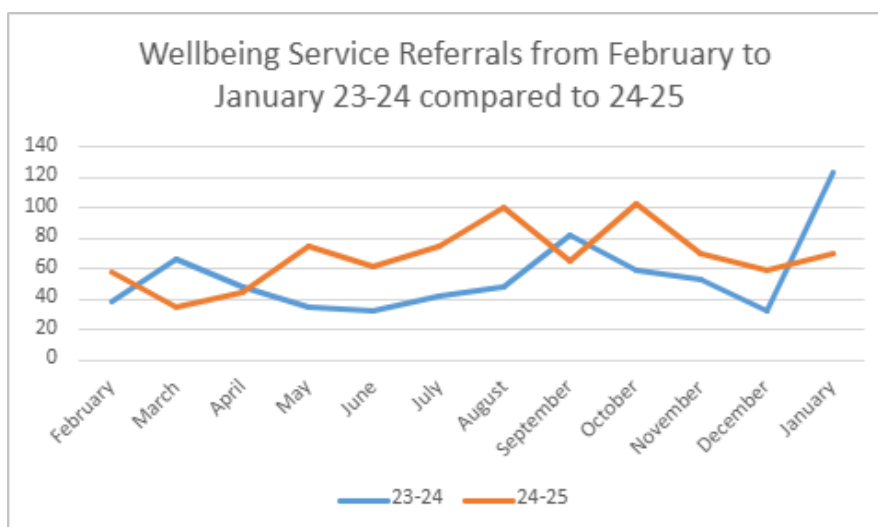
CTMUHB continues to actively promote and support the emotional, financial and physical wellbeing of our workforce, recognising the challenges our staff have faced this year alongside the impact of ongoing pressures outside of work including the increased cost of living.

The Employee Wellbeing team provides emotional, physical and financial wellbeing services to all staff at CTMUHB.

### Emotional Wellbeing

The Service provides an evidenced based, stepped care preventative and interventional approach to promote positive emotional staff wellbeing and supports those staff who may be struggling. The service has seen a 23% increase in referrals with average monthly referral rates in the period February 2024 to January 2025 rising from 55.6 in 2023-2024 to 67.9 in the same period this financial year. Our clinical outcome data for this period demonstrates that 88.7% of staff who access the Wellbeing Service, report a decrease in their levels of distress. This has increased from 71% for the previous year. To make our services more accessible, all our psychoeducational Wellbeing Workshops are now available to view on YouTube in addition to our face to face, within service provision.

Figure 27



In 2021, we were the first Employee Wellbeing Service in Wales to introduce a Virtual Reality service which teaches relaxation and Mindfulness to our workforce. Staff can borrow a headset for up to 8 weeks for use in their own homes. This year, we completed a research project into the benefits of this technology and found statistically significant reductions in stress, anxiety, insomnia and depression. We have recruited around 60 Wellbeing Activists who are part of a community of practice to help support staff wellbeing across the Health Board. Six development sessions were provided with our Activists covering a range of topics.

In October 2024, we engaged in a staff engagement exercise across the Health Board to celebrate World Mental Health Day. In addition to the extensive range of services we provide to individual staff members, we implemented our PACE (Processing and Containing Emotions in Teams) therapeutic model to six services who were presenting with high levels of distress and relational conflict.

### Financial Wellbeing

The Employee Wellbeing Service updated and promoted its financial care pathway offering extensive information on how staff can access financial training, advice and support. We continued to work in partnership with the Trussell Trust, to provide Food Bank vouchers to staff in food poverty. We have promoted

MoneyWorks Wales credit union services to all CTMUHB staff and supported six financial wellbeing pop up stands across CTMUHB supported by HSBC.

### *Physical Wellbeing*

The Wellbeing Service provides a range of Menopause support services and approximately 200 staff attended our staff engagement events during World Menopause Month (October 2024). Following on from the success of the 2023 The Big Team Challenge, where 396 members of staff participated, we offered our workforce the choice of two possible challenges during a 6-week period in Spring 2024. 700 staff participated in 153 teams walking a combined total of 141,600 miles, resulting in the planting of 139 trees.

- 86% of participants who were only doing less than 1 hour of exercise per week before the challenge increased the amount of physical activity they were doing per week after completing the challenge. After the challenge, **62%** of participants were completing over 4 hours per week of exercise, compared to **30%** before.
- 87% of participants felt they were likely to maintain this level of activity after the challenge.
- 91% of participants felt that the challenge had a positive impact on their emotional wellbeing.
- 83% of participants felt that the challenge had a positive impact on their physical wellbeing

Alongside the challenge the Wellbeing Service continue to offer Healthy Lifestyles and Barriers to Exercise courses and promote our Physical Wellbeing support pages containing psychologically informed videos around motivation to engage in physical activity.

## Our Facilities

CTMUHB Facilities Directorate highlight the following achievements for 2024-2025

- **Introduction of a New Patient Menu:** The Facilities team introduced a new patient menu to increase daily choice, ensuring options are both tempting and support the nutritional care pathway by complying with NHS Wales Nutritional Standards. This was done with significant support from Dietetics and Speech and Language teams.
- **Excellence in Housekeeping Services:** The team maintained clean and inviting clinical spaces, working with Infection, Prevention, and Control colleagues to meet or exceed NHS Wales Standards for Cleanliness. They invested in new Hydrogen Peroxide Vaporizers (HPV) machines for reactive and speedy deep cleaning to better support patient flow.
- **Innovative Environmental Management:** The team retained ISO 14001 certification and met Welsh Government Recycling reform regulations. They collaborated with partners to exceed targets and won a national award. Examples include recycling cardboard waste for animal bedding and creating plastic chairs from lab waste.
- **Adaptation during Critical Incidents:** The Facilities team effectively responded to the critical incident in October 2024, supporting clinical colleagues by ensuring cleanliness, providing meals at short notice, and facilitating patient movement across CTMUHB.
- **Modernisation and Transformation:** The team worked hard to modernise and transform services to better meet the needs of staff, visitors, and patients. Examples include a workforce review of Portering Services, introduction of a single centralised switchboard, and refurbishment of retail catering services.

Plans for 2025-2026 include:

- **Review and Transform Housekeeping Services:** The Facilities team will review and transform housekeeping services to meet the revised 'National Standards for Cleaning' once published by Welsh Government.
- **Continued Aspirational Approach:** The team will continue to take an aspirational approach and improve services as much as possible.

## Quality Governance

CTMUHB is committed to continuous improvement in relation to its quality governance arrangements and whilst challenges are still being faced the progress outlined below demonstrates the commitment to improvement.

The **Medical Directorate** led by Dom Hurford, Executive Medical Director, wishes to highlight the following key matters from 2024-2025

### *E Prescribing*

The upcoming implementation of Electronic Prescribing and Medicines Administration (ePMA) in October 2025 poses one of the biggest changes to the way medicines will be prescribed and administered within CTMUHB. Current

processes involve the use of paper charts which lack the safety benefits offered by a digital system. The shift to a digital system will provide robust data on patients who use secondary care services within CTMUHB, whilst providing the organisation with a large decarbonisation benefit through decommissioning of drug charts and an additional 67 supplementary drug charts.

The programme has a significant amount of input from a clinical Multi-Disciplinary Team consisting of Nursing, Pharmacy and Medicine to ensure the system is fit for purpose. The programme has also procured a significant number of devices including iPhones, Laptops and iPads with more devices being procured through project funding in financial year 2025-2026.

The system will provide numerous clinical safety benefits, including the provision of blood results at the point of prescribing and administration to aid clinical decision making. Work is ongoing with colleagues at Digital Health Care Wales (DHCW), to ensure that the system will be able to import medicines from GP records, which will reduce the risk of transcription errors and improve patient safety.

The system will also feature a new discharge system, which will eliminate the need for transcription onto the current Medicines Transcribing and E-Discharge (MTeD) system, saving clinical teams time and improving patient safety through the reduction of transcription errors, whilst ensuring that prompt communication is maintained with Primary Care providers. In conjunction with the implementation of the electronic prescription service in 2026, ePMA will provide the ability for prescribers to generate outpatient prescriptions that patients will be able to collect at their local Pharmacy.

As part of the implementation of ePMA, extensive bed mapping is being carried out to create a map of inpatient beds within CTMUHB. This will act as a foundation for the implementation of further offerings such as a digital bed management solution which will significantly improve efficiencies around the management of inpatient beds and support CTMUHB in working towards developing an Electronic Patient Record (EPR).

### *Menopause*

We would like to highlight key developments in our menopause service. The aim of these changes is to enhance service capacity, improve patient outcomes and standardise best practices across primary and secondary care.

More than 50% of face-to-face menopause appointments have been converted to telephone consultations. This has:

- Increased appointment capacity.
- Improved patient access to care.
- Reduced waiting times for appointments.

In January 2024, a menopause nurse specialist was appointed to provide dedicated care and support for women experiencing menopause. This appointment has allowed for the development of nurse-led clinics, under the supervision of senior clinicians, ensuring greater efficiency and enhancing patient experience.

Twice-monthly Video Group Clinics (VGC) have been introduced. This innovation has increased the number of patients who can be seen in one session, provided a supportive environment for patients to share experiences and improved patient education on menopause management.

Involvement and collaboration with pharmacy colleagues has resulted in the development of a pan-CTMUHB Good Prescribing Guide for Menopause and Hormone Replacement Therapy (HRT). This guide aims to ensure consistent and evidence-based prescribing practices across primary and secondary care. In addition, in March 2025 a Clinical Pharmacist with a special interest in women's health was appointed in collaboration with Cardiff University. This individual will support optimising HRT prescribing and provide expert advice in complex cases.

March 2025 has also seen the establishment of British Menopause Society accredited training for our trainees promoting education and career development for our staff.

Moving forward the service aims to continue promoting excellence in menopause care and sharing best practices at both national and local levels.

#### *Fracture Liaison Service*

CTMUHB have fully engaged with establishing this much needed service for our population. The concept is a telephone assessment prescription and then follow up for all patients at risk of poor bone health as a secondary prevention post fracture. It is a Wales wide requirement to set up and aligns very well with CTMUHB's plan for frailty care. We envisage having this fully working within the next couple of months across the whole of CTM for all patients at risk.

#### *Clinical Effectiveness*

The launch of the Clinical Effectiveness Committee has been introduced to be an effective and efficient forum for high-level clinicians, leaders and managers to support continuous quality improvement in clinical care in CTMUHB.

It monitors the implementation of the clinical audit program and implementation of National Institute of Clinical Excellence (NICE)/national guidelines/standards to ensure best practice across the Health Board. It provides support and strategic direction for the Health Board's national and local clinical audit programme, receiving assurance reports from the subgroups and following analysis escalates issues or provides assurance to the Quality, Safety & Experience Committee and Board.

This contributes to the production of the Annual Quality report to be presented to the Board of Directors, and provides assurance to the Quality, Safety & Experience Committee on the delivery, performance and improvements associated with the National Clinical Audit and Outcome Review Plan (NCACORP) for Wales.

An annual program of themed meetings has enabled appropriate senior professionals to monitor clinical effectiveness across CTMUHB for assurance and, if required, implement change for improvement.

## *Clinical Directors Recruitment*

The Medical Director's office has incorporated a more robust process for recruiting senior leaders which has proved very effective. From this we now have a mix of experienced and new senior medical leaders from all specialities across CTMUHB. The Medical directorate is supporting and developing these leaders and actively encouraging those individuals who want to lead in the future.

## *HealthPathways*

Community HealthPathways is an on-line resource aimed at Primary Care practitioners to provide them with clear and concise guidance for assessment and managing patients. Pathways are developed collaboratively between general practitioners and secondary care 'subject matter experts' that are evidence-based, however, reflect local service provision. Welsh Government have funded the roll-out of Community HealthPathways across Wales until end of March 2026.

The CTM Community HealthPathways site launched in April 2024 with 58 pathways and 83 request / resource pages. Since then, the team has continued to develop pathways and the target of 100 pathways to be localised by the end of March 2025 was achieved in October 2024 and to date, they have 145 pathways and 120 request / resource pages live. The site is currently receiving approximately 3,000-page views per month and as localised content on the site increases it is hoped that more clinicians will be encouraged to use it and find it beneficial.

The **Allied Health and Health Science Professions**, led by Lauren Edwards, Executive Director of Allied Health Professions and Health Science (EDAHPHS), wish to highlight the following key matters from 2024-2025:

### [A CTMUHB Allied Health Professions \(AHPs\) and Healthcare Science \(HCS\) Delivery Plan 2023-2026](#)

Produced in collaboration with key stakeholders from across CTMUHB and aligning to CTM 2030 strategic goal of Improving Care, the Delivery Plan sets out in detail how our AHPs and HCS will deliver our priority outcomes, how we will measure our success, and how we will continually improve. Progression towards delivering our objectives has been monitored throughout 2024-2025, ensuring that our Delivery Plan and associated work continues to meet the needs of our organisation, our teams and our communities.

### [Cwm Taf Morgannwg University Health Board and University of South Wales Allied Health Professions and Healthcare Science Leadership Opportunity](#)

One of the ambitions linked to our CTMUHB Allied Health Professions and Health Care Science Delivery Plan was for the Executive Director of Allied Health Professions and Health Science (EDAHPHS) to provide a tailored leadership opportunity for our Professional Heads of Service. Through close collaboration with the University of South Wales, a bespoke leadership training package was developed, funded and delivered to our AHP and HCS Leads by the University of

South Wales. The course provided the learning required to ensure that CTMUHB develop clinical leaders who are visible and inspiring, aligning to CTM2030 strategic goal of Inspiring People.

### CTM Allied Health Professions & Health Science Professional Leadership Group

Following feedback, a review of the ways in which each of the professions were able to interact with the EDAHPHS Portfolio was undertaken. Building on the success of previous CTM AHP and HCS professional collaborative events and the well-established CTM HCS Professional Forum, from January 2025 a monthly CTM Allied Health Professions & Health Science Professional Leadership Group meeting was established. This Group enables each profession to receive and feedback information to both the EDAHPHS Peer Group meetings and the group of clinical leaders that sit below this; receive regular updates from National AHP and HCS Programmes; provide reassurance on registration with regulatory bodies; receive updates from regulatory bodies; and plan AHP and HCS events for CTMUHB.

### Transfer of Healthcare Sciences into Diagnostics, Therapies, Pharmacy and Sciences (DTPS) Care Group

On 1<sup>st</sup> April 2024, the following Healthcare Science professions transferred into the Diagnostics, Therapies, Pharmacy and Science Care Group – Audiology, Cardiac Physiology, Clinical Engineering, Medical Illustration, Neurophysiology and Respiratory Physiology. Throughout 2024-25 the transferred professions have embedded into the Care Group with the development of an HCS Senior Leadership Team, performance reporting with associated improvement plans and input into the DTPS Quality, Safety, Risk and Experience Group, which all report through the organisational governance structure. This alignment of HCS professions enables a unified voice and the delivery of high quality, transformational, patient centred care through promotion of the professions and development of our highly skilled and diverse Healthcare Science Workforce, ensuring value and equity of service provision across our CTMUHB population.

### Quality Accreditation

The Echocardiography department in Cardiac Physiology successful obtained reaccreditation for Echo quality, Transthoracic echo (TTE), Transoesophageal echo (TOE), Stress echo and Training to BSE Proficiency standard. This followed its 10-year British Society of Echocardiography (BSE) inspection for reaccreditation. CTMUHB Pathology departments successfully obtained reaccreditation following a four-year reassessment, transitioning from standard ISO 15189:2016 to ISO 15189:2022. Accreditation is a recognised benchmark of quality and demonstrates that departments meet quality standards and aligns to CTM's 2030 strategy goal of improving care.

### Partnership Working

CTMUHB AHPs continue to support service developments across the Health Board and beyond. These include the Enhanced Community Care (ECC) service model, Primary Care and Community service redesign, and children's weight management. Falls prevention is an area where AHPs have worked collaboratively

in both in the community and on older people's mental health wards. Public Health Dietetics hosted multiple stakeholder events including a recent launch of the Rhondda and Taf Ely PIPYN project, which saw over 100 partner organisations attend and commit to a whole system approach to healthy weights for Children and Young People across the CTMUHB footprint.

## Workforce

Workforce continues to be a key area of development across AHP and HCS, with new and innovative roles being developed and recruited to as part of our longer-term workforce strategies. Examples of these are listed below:

- Successful recruitment into a Malnutrition Strategic Lead post, to support the creation and implementation of a Health Board Malnutrition strategy.
- Innovative new role in Type 2 Diabetes with the appointment of a Band 4 Diabetes educator.
- Appointment of our first Consultant Physiotherapist, working in MSK Rehab.
- Appointment to first CTMUHB Professional Head of Radiography.
- Appointment to the first CTMUHB Professional Head of Psychological Professions.

## Education

Our workforce continues to support the education of the future workforce and has been recognised for their exemplary performance in the following areas:

- Audiology Clinical Educator of the Year Award presented to Chief Audiologist.
- Specialist Cardiac Physiologist, named as Mentor of the Year 2024.
- Band 4 Diabetes educator, coming 2<sup>nd</sup> in a UK-wide award for Diabetes Educator of the Year.

## Digital Enablers

Recognising the benefits of robust digital infrastructure to both patients and workforce whilst aligning to the Digital Capability Framework, both AHP and HCS within CTMUHB continue to progress the implementation of digital technologies to transform healthcare in a sustainable way, recognising that this is an area requiring great development, at pace, to fully enable the benefits of digitised systems:

- Commenced roll out of 'Text and Remind' improving timely communication to patients and outpatient clinic utilisation.
- Ongoing roll out of Welsh Patient Referral Service (WPRS) to support electronic referrals from Primary Care and increase timely triage.
- Foodwise for Life app launched by Public Health Dietetics, received the Organisation for the Review of Care and Health Apps (ORCHA) quality mark.
- Ongoing preparatory work ahead of national digital programme implementation e.g. for Radiology Informatics System Programme (RISP) and Laboratory Information Management System (LIMS) 2.0.

## Clinical Transformation

Aligned to CTMUHB ambitions within CTM2030, AHP and HCS services continue to transform clinical services to ensure sustainable, future-proof services for all patients '*building healthier communities together*'. Examples of service transformation from the last year are listed below:

- The AHP-led Rapid Access and Admission Avoidance model is focused on early intervention to avoid deterioration and prevent unnecessary and potentially harmful admissions into hospital.
- Our Falls Prevention service 'Don't Fall for it' has so far received 282 self-referrals and 1,036 members of the public have benefited from public events and education sessions.
- Our pan-CTM community-based Speech and Language Therapy (SLT), Dietetic and Podiatry Rapid Access Clinics provide fast access to diagnostics, treatment and signposting to appropriate services. Development has enabled a decrease in wait times for the frailest.
- The children's SLT service have implemented three different waiting well offers to support families whilst their children are on the SLT waiting list for initial appointment. The waiting well offers have been well received and are well attended by families.
- Adult Weight Management Service worked with Health and Care Research Wales to undertake an evidence review for scalable interventions for people waiting for specialist weight management support.
- Over 100 colleagues trained in approaches to increase access to i) psychologically informed care; ii) psychologically skilled care and iii) enhanced psychological practice.
- Significant improvement in recruitment and retention statistics across mental health psychological services. Investment in Counselling Psychologists, Clinical Associates in Applied Psychology (CAAPs), and a 'grow our own' approach have all contributed.

The **Patient, Care and Safety Directorate** led by Greg Dix, Executive Director of Nursing / Deputy Chief Executive, wishes to highlight the following key matters from 2024-2025:

### Putting Things Right (PTR)

PTR was established to review the existing processes for the raising, investigation of and learning from concerns. Concerns are issues identified from patient safety incidents, complaints and, in respect of Welsh NHS bodies, claims about services provided by a Responsible Body in Wales. The aim is to provide a single, more integrated and supportive process for people to raise concerns.

During 2024-2025, CTMUHB continued to embed its Care Group Operating Model and supporting quality governance structures. Quality Governance provides Board assurance through a systematic approach to maintaining high quality care and standards which uses ongoing measurement and reporting on safety, effectiveness, staff and user experience, identifying areas for improvement and enabling the sharing of good practice in accordance with statutory obligations.

Staff strive to deliver the best patient experience in all our services, and it is important to us to understand the reasons why, on occasion, care has fallen below the standards we would expect, so that we can take appropriate action to prevent this recurring.

The Welsh Government NHS Delivery Framework requires Health Boards and Trusts to report monthly the percentage of complaints which were responded to in 30 working days. The NHS Wales target is to respond to 75% of complaints within this timeframe. Some complaints can be more complex and take longer to provide a detailed response, and we aim to resolve those within 6 months. During 2024/2025 Concerns Procedures were reviewed and updated to further support the effective triage of complaints and provision of robust timely responses.

CTMUHB continued to decrease the proportion of complaints requiring management under the formal complaints during 2024-2025 and improve compliance with the NHS Wales target of 75% for responding to complaints:

- Formal Complaints Received:
  - Formal Complaints received 2023/24: 563
  - Formal Complaints received 2024/25: 418 (data for March 2024 to February 2025)
- Total Complaints responded within 30 days:
  - Formal Complaints closed within 30 working days 2023/2024: 62% (data for March 2024 to February 2025)
  - Formal Complaints closed within 30 working days 2024/2025: 77% (data for March 2024 to February 2025)

CTMUHB continues to engage with our partner agencies to expand the opportunities for obtaining feedback from patients, service users and their families on the care and treatment they are receiving. To further support learning from the feedback received, the Patient Experience Forum has reviewed and strengthened its arrangements for the triangulation of information and sharing of improvement actions.

The Putting Things Right Annual Report for 2024-2025 will be available on CTMUHB's website once finalised later this year. The link is: [Putting Things Right and Duty of Quality Annual Reports - Cwm Taf Morgannwg University Health Board](#)

#### [Public Services Ombudsman for Wales \(PSOW\)](#)

Where service users are not content with the response to their complaint prepared by CTMUHB staff, they are entitled to refer their complaint to the PSOW who has the power to review such matters on an independent basis where appropriate. CTMUHB's PSOW Liaison Officer has continued to work closely with the PSOW's Investigation Officers, ensuring that regular communication is maintained, particularly if there are any delays and to ensure cases are escalated appropriately.

During 2024-2025, CTMUHB has reviewed and updated its process for the management of PSOW cases. Over the coming months, CTMUHB will continue to explore ways to ensure learning from PSOW cases is widely shared.

As per PSOW request to all Health Boards across Wales, CTMUHB continues to share quarterly complaints returns with the PSOW's office and this data is published on their website.

The Putting Things Right Annual Report for 2024-2025 will be available on CTMUHB's website once finalised later this year. The link is: [Putting Things Right and Duty of Quality Annual Reports - Cwm Taf Morgannwg University Health Board](#)

#### Redress

If during the investigation of a complaint a breach of duty in our care has been identified which has caused the patient harm, there may be a qualifying liability.

In such cases the matter will transfer into our Redress process to undergo further detailed investigation.

The Putting Things Right Annual Report for 2024-2025 will be available on CTMUHB's website once finalised later this year. The link is: [Putting Things Right and Duty of Quality Annual Reports - Cwm Taf Morgannwg University Health Board](#)

#### Incident Management

To facilitate, support and promote the effective delivery of this work, CTMUHB continues to embed the Incident Management Framework with supporting documentation being developed and shared via the Health Board's SharePoint Pages. Training continues to be provided which outlines the expectations for colleagues involved in the incident management and investigation process.

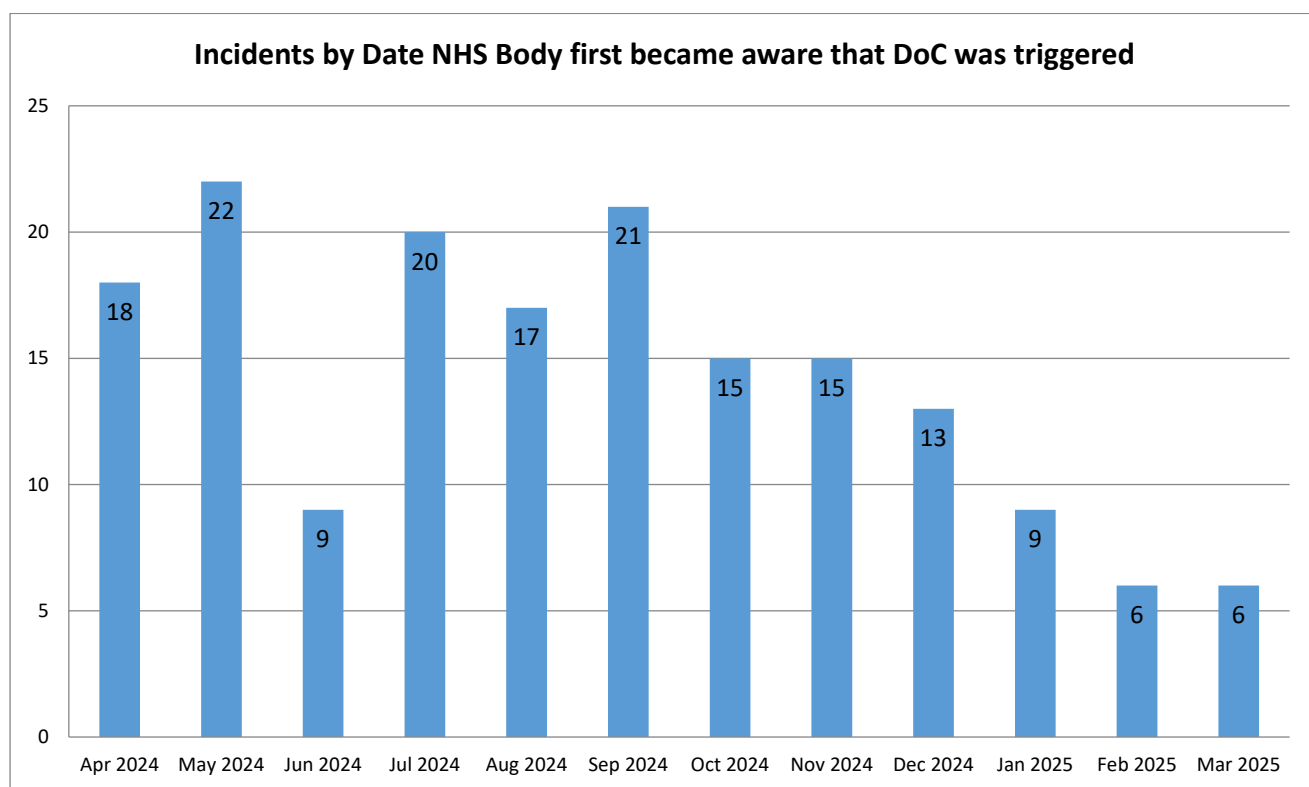
The Putting Things Right Annual Report for 2024-2025 will be available on CTMUHB's website once finalised later this year. The link is: [Putting Things Right and Duty of Quality Annual Reports - Cwm Taf Morgannwg University Health Board](#)

#### Duty of Candour

The Duty of Candour, which came into force in April 2023, is a legal obligation for healthcare providers to be open and honest with patients and their families when harm occurs during care delivery and has been implemented within CTMUHB for the past year.

During 2024-2025, NHS Wales Shared Services Partnership, Internal Audit Services, undertook a review of CTMUHB's implementation of Duty of Candour, which provided an outcome of 'reasonable assurance'. Improvement actions have been identified which will be progressed to ensure Duty of Candour processes and monitoring arrangements are fully embedded.

Figure 28



\*Note March data not available at time of the report being finalised.

The Duty of Quality Report for 2024-2025 will be available on CTMUHB's website once finalised later this year. The link is: [Putting Things Right and Duty of Quality Annual Reports - Cwm Taf Morgannwg University Health Board](#)

### Duty of Quality

The Duty of Quality (DOQ) is a legal obligation, which came into force in April 2023, and has been successfully implemented at Board Level against the Welsh Government Quality & Safety Framework (2021). The DOQ requires all NHS organisations within Wales to commit to deliver improvements in the quality of health services and requires the publication of an Annual Report for Quality, setting out the steps they have taken to secure these improvements. This year's Report will be published on CTMUHB's website at the end of the first quarter of 2025-2026.

The Duty of Quality Report for 2024-2025 will be available on CTMUHB's website once finalised later this year. The link is: [Putting Things Right and Duty of Quality Annual Reports - Cwm Taf Morgannwg University Health Board](#)

### Quality Assurance

Whilst the process of ensuring quality and patient safety is a CTMUHB wide objective, the management and oversight of this has continued to be strengthened. Responsibilities have been strengthened in relation to quality and patient safety across the executive team and within the care group structures. A

weekly 'at a glance' report facilitates high-level awareness of quality and patient safety concerns. Additionally, a comprehensive slide-deck outlining the Health Board's position for: Concerns/PTR Compliance; Learning from Event Reports (LFERs); Inquests; Claims and Redress, and incidents is reviewed at the weekly patient safety executive-led meetings. This ensures that key priorities are identified for the upcoming week and relevant issues are escalated to the Executive Team and Board in a timely manner.

The quality of information presented to each meeting of the Board's Quality, Safety & Experience Committee for assurance and scrutiny has continually improved over the year. These reports cover all service settings including acute hospital care, primary and community, mental health, and maternity services. They also include overarching CTMUHB-wide quality metrics such as data on the incidence of falls, pressure ulcers and medication safety. The reports contain information across a wide range of quality indicators and enable scrutiny of patient safety and experience across all care groups using a standard template, which enables comparisons. The Quality, Safety & Experience Committee papers can be found <https://ctmuhb.nhs.wales/about-us/our-board/committees/quality-safety-committee/>.

Further information in relation to Quality Assurance will be provided within the Duty of Quality Annual Report.

#### Quality Impact Assessments

CTMUHB's Quality Impact Assessment (QIA) procedure ensures all planning is quality-driven, aligning with the Duty of Quality. Any new plans, service changes, programmes, projects, or savings schemes must undergo a QIA. This process is crucial to examine, understand, and address the potential quality impacts of service changes, with comprehensive mitigating actions clearly outlined.

Further information in relation to QIAs will be provided within the Duty of Quality Annual Report.

#### Healthcare Inspectorate Wales (HIW)

Healthcare Inspectorate Wales (HIW) is the independent inspectorate and regulator of healthcare in Wales. HIW inspects NHS services, and regulates healthcare providers against a range of standards, policies, guidance and regulations to highlight areas requiring improvement. HIW has undertaken inspections across CTMUHB and details of these inspections can be found here <https://www.hiw.org.uk/>

Overall, the themes and trends that were common across some areas of CTMUHB, include:

- Statutory mandatory training compliance could be improved.
- Communal areas, especially outside areas, could be maintained more pleasantly.
- Staffing levels could be improved in some areas.

- Many examples of staff demonstrating a caring, respectful, kind and understanding attitude to patients and relatives.

Since the end of 2023 significant work has been undertaken with the transfer of all HIW Inspections over to the electronic Audit Management and Tracking (AMaT) system under the management of the Head of Quality Assurance & Compliance and Quality Assurance Compliance Officer.

Further work continues to develop the inspection module in order to fully capture Death in Custody reports which are also now being recorded on AMaT, this work continues to ensure that the most suitable local process for updating and managing the recommendations and actions from a Death in Custody report are implemented allowing for a full and robust monitoring of compliance and reporting process as well as sharing to support wider learning across the organisation. Colleagues from HMP Parc Prison service have shown enthusiasm and initiative in engaging in this process and actively engage with the Quality Assurance Team.

Over the last year, 2024-2025, regular updates have been provided to the Quality Safety & Experience Committee on progress against the open actions held on the CTMUHB's HIW tracker developed from AMaT.

### Patient Safety Alerts

The internal management, monitoring and reporting process for Patient Safety Alerts (PSAs) and Patient Safety Notices (PSNs) now operates under devolved responsibility to the relevant Care Group. The Quality & Safety Team provide support, co-ordination and oversight, which leads to reporting compliance. Details of patient safety alerts and notices are publicly available. CTMUHB is currently fully compliant with all Patient Safety Notices. Work is continuing to develop the Safety Alerts module within Datix Cymru, working in collaboration with the Once for Wales Team and all other health boards across Wales. It is anticipated that the Safety Alerts module, in its first phase will be implemented 1 April 2025.

### Organisational Listening & Learning Framework

CTMUHB is committed to fostering a culture that values learning and in which lessons are learned to enhance patient care, safety, and experience.

CTMUHB's Listening & Learning Framework, which launched in 2022, outlines how learning is identified, stored, triangulated, shared, disseminated, and implemented to embed a culture of continual improvement. This Framework complements existing governance and learning structures within Care Groups and Clinical Service Groups, adding a strategic approach to harness lessons from sources across the organisation to drive excellence in practice.

A SharePoint-based learning repository provides easy access for all CTMUHB staff. It stores learning on issues such as: medication errors, pressure damage, and falls, including action plans, newsletters, safety briefs, and audits. The repository has expanded to include Learning from Events Reports (LFERs) and patient stories, with links to Mental Health and Safeguarding resources. The repository is

continually reviewed to ensure shared learning is applicable and accessible to all staff.

CTMUHB's monthly patient safety newsletter highlights areas of learning, themes, and trends from incidents, inquests and other key activities within CTMUHB's Patient Safety and Governance services.

Patient safety clinics offer proactive engagement with operational teams on key patient safety themes from events and learning across CTMUHB. These clinics provide a forum for staff to gain knowledge and foster closer collaboration between the patient safety team and health professionals.

CTMUHB successfully hosted its third and fourth Listening and Learning Events in June and November 2024. The next bi-annual event is scheduled for summer 2025, with a focus on increased clinician engagement across all disciplines. The aim is to hold two further informal shorter events/meets in 2025-2026 over Microsoft Teams, to further enhance learning across the CTMUHB.

### Safeguarding and Public Protection

This year CTMUHB launched its three-year Safeguarding Strategy, the Strategy focuses on enhancing safeguarding through digital integration, embedding a robust safeguarding culture, and providing expert training to staff. The priority for this year was to provide access to expert safeguarding advice, supervision and learning. This was achieved through an audit programme that identified areas of good practice and development, improving governance following the health board's re-structure and developing policies and standard operating procedures to fully support staff and ensure a consistent and equitable approach to safeguarding those in our care.

The appointment of a safeguarding practice educator will ensure that training and education resources reflect current evidence, meet staffing needs and provide assurance that there is robust oversight of competencies and compliance across the health board. CTMUHB are committed to ensuring that learning from incidents and reviews is embedded into practice. The development of a safeguarding training and learning group and monitoring group will ensure that changes are implemented, learning disseminated, and digital solutions are used effectively to update colleagues across CTMUHB.

In response to learning themes from several domestic homicides and reviews, bespoke training was delivered to mental health colleagues in collaboration with the health Independent Domestic Violence Advocate, the South Wales Drive project and safeguarding to share learning and identify areas of practice that could be improved to protect those individuals experiencing domestic violence. Additional bespoke training has also been delivered to staff at Parc prison in collaboration between CTMUHB, Bridgend County Borough Council and G4S, to meet the needs of their establishment.

Several CTMUHB employees, across multiple services have completed the Single Unified Safeguarding Review training, ensuring as a partner of the Safeguarding Board, appropriately trained staff will contribute to reviews.

An adult safeguarding and mental capacity practitioner was appointed toward quarter 4 of 2024-2025. This role has been developed to ensure learning from incidents, concerns and reviews are used to drive improvements in adult safeguarding across CTMUHB. They will also act as a lead practitioner in adult safeguarding to develop robust processes in the management of avoidable pressure damage and drive improvements in the quality of referrals. Working in partnership and collaboratively with adult services and wider agencies they will ensure the adult safeguarding agenda is given dedicated time and resource.

There has been a strong focus this year on training and education across the workforce. The named Doctor for safeguarding has arranged several training sessions for medical colleagues, significantly increasing level 3 compliance for doctors who work with children and young people. Several training sessions have been provided within the community by the safeguarding team to trainee General Practitioners, district nurses, health care support workers and other specialist services.

Recognising the need for all safeguarding practitioners to have a wealth of knowledge and support around safeguarding and public protection issues, the team has been restructured to ensure resilience for those practitioners. This has ensured opportunities for professional development and wider knowledge base. This model will ensure a consistent approach to supervision and support of colleagues across CTMUHB, thus enabling them to act safely and consistently when concerns arise in respect of children and adults at risk.

Moving forward, CTMUHB are committed to exploring ways to enhance overall safeguarding practices, focusing on identifying gaps and potential assurance risks within our current frameworks and practice.

### Deprivation of Liberty Safeguards (DoLS) and Mental Capacity Act (MCA)

DoLS are an amendment to the Mental Capacity Act 2005, and provide protection for vulnerable people, in care homes or hospitals who lack capacity to consent to the care or treatment they need. If it is in the best interests of a person for a hospital or care home ('the Managing Authority') to deprive a person of their liberty to keep them safe from harm and provide appropriate treatment, then the Managing Authority must apply for permission (a DoLS authorisation).

CTMUHB have been fortunate to receive Welsh Government funding to support work in the following areas;

- To address the DoLS application backlog
- To deliver Mental Capacity Act training
- To improve monitoring and reporting on DoLS, including the collection and quality of DoLS data and supporting systems and processes
- To embed the principles of the Mental capacity Act across care, support and treatment planning.

Funding has been utilised to commission an external agency to support in the assessment of DoLS applications. This has substantially reduced the backlog, ensuring patients are lawfully deprived of their liberty. In addition, and in response

to the recommendations laid out in last year's internal audit, the DoLS team have been supported by the health boards quality improvement team to streamline processes and systems, enhancing the team's oversight of urgent and standard applications. A new digital database has been developed; which has streamlined the referral process and has enabled a more robust monitoring and reporting system.

In addition, funding has been allocated to continue raising awareness of MCA through a mental capacity team. Their role includes, to assist wards with complex cases where the MCA is applied and to embed principles of MCA into everyday clinical practice. The team have developed resources to support patients and their families in understanding the principles of MCA and the DoLS process.

A newly designed MCA and DoLS intranet site has been developed for access through the health board's intranet pages and collaboratively with other health boards revised referral forms have been developed. Both leads for DoLS and MCA represent CTMUHB at all Wales meetings to ensure standards are benchmarked and evidence-based practice is embedded into CTMUHB services.

### Infection Prevention and Control (IPC)

CTMUHB has seen reductions in Meticillin-Sensitive *Staphylococcus Aureus* (MSSA) and *Pseudomonas aeruginosa* bacteraemia. However, there have been increasing rates of *Clostridium Difficile* (C. diff) infections require significant attention, particularly within community settings.

To reduce Gram negative infections, several actions have been put in place or are being planned/reviewed, such as:

- Restart Aseptic Non-Touch Technique (ANTT) training across all acute sites
- Review of infections
- Ad-hoc training sessions in line with findings of post infections reviews to ensure adequate level of knowledge and awareness is achieved in the clinical settings
- Starting roll out of catheter passport across CTMUHB with the aim of liaising with community to further expand the dissemination.
- Ongoing transition of auditing model to "areas of concern" with the aim of targeting resources

Regarding *Staphylococcus aureus* the IPC team has been focusing on promoting training of ANTT (re-instated) in the context of hospital-onset (HO) cases—especially concerning the insertion, maintenance, and removal of invasive devices and ensuring adequate isolation decolonization of patients tested positive on screening. The most significant burden regarding *Staphylococcus Aureus* infections is in the community and future work will be needed in partnership with Public Health Wales and the epidemiology team, particularly to identify the prevalence of infections in high-risk groups such as:

- Individuals with chronic wounds
- Diabetic patients
- Intravenous drug users

In response to C. diff CTMUHB have been reviewing the learning points from the post infection reviews. The learning points include:

- Prescription of Proton Pump Inhibitors (PPIs): There is a need for thorough review and documentation of both dosing and indications for use.
- Antimicrobial Stewardship: It is crucial to ensure that antimicrobial prescriptions are appropriately made and reviewed, extending this oversight into community settings.
- Need to increase visibility of previous positive cases in the clinical areas.
- Early Detection and Isolation: Prompt detection and isolation of C. diff cases at the earliest opportunity are essential to controlling outbreaks.
- Environmental Decontamination: Environments must be cleaned and disinfected using sporicidal agents, followed by hydrogen peroxide for further decontamination. This process can be particularly challenging in high-traffic areas like Emergency Departments, where patient placement may hinder the effective use of hydrogen peroxide.
- Ensure good Hand Hygiene, bare below the elbows and adequate use of Personal Protective Equipment – to achieve this will need to ensure better compliance with mandatory training, local training and increased IPC presence in the clinical settings.

#### *IPC Continuing Actions:*

- Monitor Hydrogen Peroxide Vapour (HPV) disinfection – Ensure it is used as gold standard for post C. diff cases.
- Alerts in ICNet for the admission of patients with known C. diff cases have been implemented, allowing clinical areas to early identify symptom development and early medication review.
- Enhance the robustness of Root Cause Analysis (RCA) by exploring immediate actions for quick wins – currently reviewing all past cases while the RCA process is reviewed towards a more robust way and also with the aim to do the reviews as quickly as possible when a positive result is known.
- Encourage early reviews of PPI prescriptions in collaboration with pharmacy services – Currently the IPC team created a notification on ICNet for admissions of patients with known C. diff in the past, so we can quickly alert the clinical area to do a review on medication.
- Implement sampling and isolation protocols for patients presenting with the first loose stools – There is a difference across the acute sites, due to different testing methodology and microbiology support, revision is currently focusing on PoWH with the aim of progressing to a wide approach across the organisation, this will always face some limitations while there is no equal access to Polymerase Chain Reaction (PCR) testing on all three sites.
- Back to basics – Deploy awareness initiatives such as Hand Hygiene promoting, etc – This is currently on going but more active actions are being planned (e.g. roadshows, etc.).
- Ensure that low compliance with mandatory training is escalated to Head of Nursing and managers – Currently IPC is reporting this through the Infection Prevention Control Committee (IPCC) and discussed on site IPC meetings.
- Ensure that C. diff infection review meetings are undertaken at the first opportunity possible, with full support from the clinical area, including Microbiology, IPC, medical staff and the Antimicrobial Pharmacist and ensure that lessons learned are swiftly applied and create a “matrix” of lessons identified as recurrent themes for wider development of support and corrective strategies – This is ongoing work as part of the review of IPC workstreams.

While these actions can significantly influence *C. diff* rates in secondary care, it is equally important to extend support to primary care, particularly from an antimicrobial stewardship perspective. Reviews of *C. diff* toxin-positive cases should be broadened to include community settings, necessitating the establishment of a robust review system.

Additionally, collaboration with Public Health Wales and the epidemiology team is vital for identifying areas with a higher infection burden, ensuring that resources are directed appropriately.

A notable challenge lies in the inconsistency of testing approaches across CTM. Different testing methods are employed at various locations—immunoassays at PCH and RGH, while PCR is used at PoWH. Although all methods are viable for identifying *C. diff* cases, variations in sensitivity may impact the rates, making benchmarking unviable.

*C. diff* is a complex infection that requires a coordinated multidisciplinary approach to ensure that all areas work together effectively and that resources are allocated efficiently to meet our infection control goals.

#### *Epidemiological Review and Welsh Government Targets*

- **E. coli Bacteraemia** - *E. coli* cases decreased by 9.35%, falling slightly short of the Welsh Government's 10% reduction target. With the majority (79.05%) being community-onset, enhanced community IPC interventions and catheter management strategies are critical.
- **Pseudomonas Aeruginosa Bacteraemia**- *Pseudomonas Aeruginosa* infections declined significantly by 31.25%, surpassing the national average. Continued emphasis on water safety management, proper hand hygiene, and robust antiseptic techniques is essential to maintain this positive trajectory.
- **Klebsiella spp. Bacteraemia**- *Klebsiella* bacteraemia showed a modest reduction of 7.07%, significantly below the 20% target. Community-onset cases were prevalent, indicating the need for reinforced catheter management and infection prevention practices outside hospital settings.
- **Clostridium difficile (C. diff)** -A significant rise of 26.79% in *C. diff* infections has been observed, particularly from community onset cases. Strategies identified for improvement include thorough review of Proton Pump Inhibitors (PPIs) by clinicians, enhanced antimicrobial stewardship, timely isolation, and rigorous environmental decontamination protocols using sporicidal agents and hydrogen peroxide vapor.
- **Staphylococcus aureus Bacteraemia (MSSA and MRSA)** - MSSA bacteraemia saw a reduction of approximately 9.57%, whereas MRSA continues to pose a challenge with eight cases recorded. As most cases originate in the community, strengthening education around aseptic techniques and improved community IPC measures is critical.

#### *Acute Respiratory Infections (ARI)*

- **Influenza A and B** - Influenza A saw a sharp rise during the winter months, impacting operational capacity significantly. Proactive IPC measures including mandatory masking, heightened IPC visibility, and IPC support working closely

with patient flow teams, facilitating effective infection control and patient management during peaks.

- **Respiratory Syncytial Virus (RSV)**- RSV represented a lower, yet significant ARI burden, highlighting the importance of ongoing vigilance and preparedness in managing respiratory infections.
- **Norovirus Infections** - Norovirus infections increased significantly toward year-end, aligning with national trends. Limitations in rapid testing capacity posed challenges in timely management of cases, particularly at RGH. The IPC team proactively managed these outbreaks through targeted strategies and close collaboration with clinical staff.

### *Capital Works, Developments, and Refurbishments*

Significant capital investments are being made or planned towards upgrading sterile services and endoscope decontamination facilities across CTMUHB. Key developments include the refurbishment at PCH, the deployment of Vanguard mobile endoscopy units (already deployed), and improvements to the endoscopy facilities at the PoWH. Compliance with national standards remains an ongoing priority, particularly in the context of managing the built environment for decontamination.

### *Decontamination Practices and Challenges*

During 2024-2025, significant developments were undertaken at CTMUHB) to enhance decontamination practices and address existing challenges across its healthcare facilities.

PCH is preparing for substantial refurbishment of its Central Sterile Services Department (CSSD), scheduled to begin in late 2025 or early 2026, pending Welsh Government funding approval. During refurbishment, services will temporarily relocate to RGH and PoWH, supported by a planned mobile endoscope decontamination unit to ensure continuity.

At the PoWH, considerable challenges were identified in the endoscope decontamination unit due to outdated infrastructure. Interim measures include relocating services temporarily to the Vanguard Endoscopy Unit at RGH, though permanent upgrades are required.

### *iCTM*

The innovation team acts as a key component of the local and regional innovation ecosystem, actively supporting the Welsh Government's recently published Wales Innovates strategy and the underlying message that innovation is not an end in itself; rather, it is the development of a culture of innovation that holds the true value. With this culture firmly established, innovation becomes a powerful tool enriching our education, economy, health and well-being, and environment.

### *Key Highlights*

- Showcased Health Housing Data linkage work at the All Wales Regional Partnership Board network meeting. Liaising with Innovate UK to inform future funding calls.

- Four successful projects in CTMUHB Cohort 9 of the Bevan Exemplar programme.
- The FeedCycle Project, funded by Small Business Research Initiative Wales Centre in partnership with Elite Solutions and Pulse Plastics Ltd are shortlisted in the Social Value category at the National Recycling Awards.

### *Focus on Accessing Benefit Entitlement*

In response to UK Government 2024 discontinuation of winter fuel payments in England and Wales, our multi-organisational project effectively addressed the gap in Pension Credit uptake among eligible individuals in Cwm Taf Morgannwg (CTM).

With nearly 1 in 5 older individuals in Wales living in poverty and an estimated 7,000 people in CTM not claiming their entitled Pension Credit, our initiative led by the innovation team in CTMUHB, driven by a collaborative effort among public health teams, local councils, and various charity and organisations, aimed to enhance both financial and health outcomes for pensioners.

The Innovation sprint successfully identified **689** patients with respiratory health conditions, **6,768** instances of outreach efforts through direct engagement, assessed and supported **1,890 clients**, securing a confirmed income increases totalling **£1,655,551.83**. Additionally, we anticipate further annual income gains of **£961,103.19** from pending applications, highlighting the significant financial impact and enhanced support provided to the community of CTM.

Looking ahead, the focus remains on optimising service delivery through clear referral pathways, expanding communication efforts, embedding data linkage into routine operations, and exploring new avenues for engagement and awareness campaigns among pensioners. While this successful initiative highlights the strength of collaborative action in bringing significant positive impacts to people within CTM, there remains considerable work to be done. We must continue our efforts to support the remaining individuals who still need assistance from our multi-organisational team.

This initiative successfully delivered outcomes by actively enhancing awareness and uptake of Pension Credit among our target audience. However, we identified a significant area for improvement, the need for a more proactive approach. Due to the tight timelines associated with applying for the Winter Fuel Allowance, which concluded in November, much of our strategy was reactive. Moving forward, it is essential to learn from this experience. In preparation for this winter, we will ensure a solid plan is in place as part of our business as usual. This will allow us to operate proactively, rather than reactively, ensuring preparedness and maximising the impact of our outreach efforts.

### *A future Focus for Innovation in CTMUHB*

CTMUHB will continue to build on this work as an innovation-led 'Engagement and Coordination' organisation and support organisations working across the CTMUHB region to collaborate, share resources, and pioneer new ideas.

Figure 29



The Quality Improvement Team continued to build on three core elements: strengthening improvement capacity and capability through a multi-level QI training programme, fostering staff ideation via the Simply Do platform, and expanding networks by creating an Improvement Community of Practice. With a particular emphasis on patient safety, we launched a new In-patient Falls and Pressure Damage Collaborative across CTM, supported by the Ward Accreditation Scheme. We have joined the national Safe Care Collaborative, focussing on Acute Deterioration, Deconditioning and the development of Quality Management Systems.

Our training offer has continued to expand from our three-level offer, now encompassing a bespoke programme tailored to specific improvement needs, including data and measurement, waste reduction, and Lean methodology.

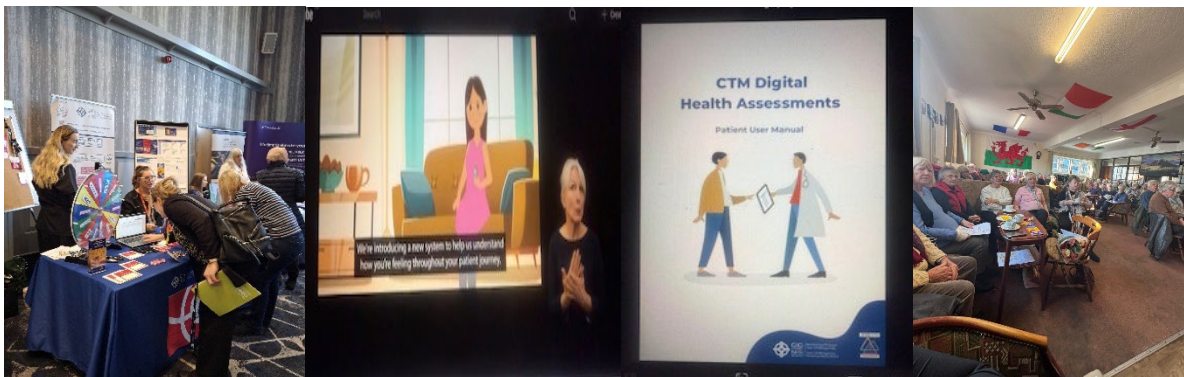
Key Highlights:

- Launched the 5-Minute Improvement Programme, developed in collaboration with Welsh Blood Service. A rapid improvement initiative designed to engage frontline staff in identifying quick, impactful changes that enhance efficiency, reduce waste, and improve wellbeing. In addition to our partnership with the Welsh Blood Service, we are building strategic partnerships with organisations such as the University of South Wales, Cardiff and Vale University Health Board, Aneurin Bevan University Health Board, The Health Foundation and the NHS Executive.
- The 'Simply Do' Improvement Ideas scheme continues to evolve, focussing on organisational priorities. We introduced targeted challenges addressing key areas, including Flow, Maternity, and Sustainability. Our Ideas Factory is supported by the Improvement Project Review Group, drawing on corporate and clinical teams, ensuring submitted ideas benefit from unique multidisciplinary and inter-departmental consideration.
- Improvement Community of Practice (iCoP) launch, bringing together improvement experts and enthusiasts across CTM. Facilitating knowledge-sharing and problem-solving, with a current focus on tackling 'The Sludge': the inefficiencies in systems and processes that create unnecessary work and failure demand, ultimately aiming to free up capacity and resources across the organisation.

## *A future Focus for Improvement in CTMUHB*

We remain committed to providing high-level improvement advice to Care Groups and supporting front-line teams across CTM. Through these efforts, we continue to embed a culture of continuous improvement, empowering teams to drive meaningful change.

*Figure 30*



The Value-based Healthcare (VBHC) Team has made significant strides in embedding VBHC principles to improve patients' outcomes, enhance service delivery, and optimise resource use, funding programmes in heart failure, lymphoedema, diabetic podiatry, alcohol care, atrial fibrillation (AF) & Hypertension and unscheduled care. In 2024-2025 the focus was the successful implementation of our new digital system for the collection and analysis of VBHC measures, Patient Reported Outcome Measures (PROMs), Patient Reported Experience Measures (PREMs), and Clinical Reported Outcome Measures (CROMs).

This has streamlined data collation, enabling meaningful insights into patient experiences, clinical effectiveness, and service improvement opportunities. It has also enabled the development and roll-out of a comprehensive engagement and communication plan, ensuring that staff, patients, and the wider community are informed, involved, and empowered in the VBHC journey.

Examples of the impact of some of these initiatives:

- The Alcohol Care Team have seen 1631 patients, all within 24 hours of referral. 394 admissions have been averted, with an average length of stay (LOS) of 10 days, 3940 averted days in beds - with patients being seen in Emergency Department and then managed at home. The Regional Partnership Board have funded a new Community Care Team, which provides greater support for patients at home and this has been brought under the management of the Alcohol Care Team. 682 Medically Assisted Withdrawals have been supported by the team, enabling safer treatment and recovery, and reduced length of stays. The team have strained 161 staff in alcohol care for patients and will be moving to a 7-day service from May 2025.
- The Diabetic Podiatry service at the Royal Glamorgan Hospital has seen 296 patients across hospital wards, Emergency Departments and outpatients, and had a further 577 patient contacts, including telephone reviews. 96% of

patients were seen within 24 hours of referral. There have been 30 averted hospital admissions, and the average length of stay for patients has reduced from 73.5 days (pre-project) to 9 days. 221 staff have been trained on how to identify diabetic podiatry issues and next steps. Value-Based Healthcare funding has been allocated to scale and spread the project to the Princess of Wales and Prince Charles Hospital.

- The Team has worked with Parc Prison to eliminate Blood Borne Virus (A Welsh Government Strategy) - A small and perfectly formed project team has been working with Parc Prison to implement the Welsh Government Elimination of Blood Borne Viruses. Working together we have developed engagement approaches and questionnaires which have been undertaken by Prison Peers to ascertain awareness and knowledge of prisoners regarding BBV, which we identified could be impacting on low screening, testing and treatment rates. This has also been supported by a prisoner's poster competition, which they suggested. Results demonstrate a successful approach, with screening rates increasing from 21% to 97.2%, and acceptance to screen from 37% to 79.4, and declines reducing from 51% to 14%, between March 2024 to March 2025. These approaches are now being shared across Probation Services and other Health Boards as Best Practice.

#### Key Highlights:

- The VBHC team participated in key transformation programmes across the Health Board, including diabetes, acute medicines and unscheduled care, Planned Care, (3Ps), Primary and Community Care and Persistent Pain. The team facilitate a focus on person-centred care, patient outcomes and experiences, and resource optimisation as key elements of service re-design.
- The team actively engages stakeholders, building meaningful partnerships to improve services through lived experiences and co-production. Through targeted work in areas including diabetes, alcohol care, and Parc Prison's elimination of Blood-borne viruses, the team fosters open dialogue with patients, communities, and frontline staff. This inclusive approach ensures that service improvements are shaped by those who use and deliver them, leading to more responsive, effective, and compassionate care.
- The team enables collaborative cross-specialty working to break down silos and enhance patient care. Connecting specialties, including maternity and alcohol care, diabetes and lymphoedema, and heart failure and smoking cessation and frailty services, the team facilitates the sharing of knowledge, expertise, and resources. This synergistic approach streamlines pathways, reduces duplication, and ensures patients receive holistic, coordinated care that addresses the full spectrum of their needs.

#### A future Focus for VBHC in CTMUHB

Our roadmap into 2025-2026 will extend further across specialties in the digital rollout, supported by training and engagement of staff, patients, and partners. In addition, we are keen to work with a whole systems approach throughout the patient journey and engage with Primary and Community Care, Third Sector, and Industry partners.

## Research and Development (R&D)

Figure 31



CTMUHB's R&D team supports the set up and delivery of an extensive range of high quality commercial and non-commercial research studies registered on the UK's national Clinical Research Portfolio (CRP), maximising opportunities for CTMUHB's population to participate in research. This enables our population to gain access to new pharmaceuticals, therapies, diagnostics and procedures, with the potential to improve patient outcomes and quality of life. During 2024-2025, there was a 15% increase in the number

of open CRP studies and a 19% increase in the number of recruits participating in portfolio studies from the previous year.

The key performance metric set by Welsh Government is for 80% of non-commercial CRP and commercial studies to close having recruited to time and target (target number of participants recruited within the specified timeframe). During 2024-2025 100% of all non-commercial CRP and commercial studies have closed at CTMUHB having met their recruitment to time and target.

A key strategic objective is to ensure that research activity is aligned to national, regional, and local health priorities. The current research portfolio spans across many specialties in primary, secondary and community care to include cardiology, dermatology, rheumatology, gastroenterology, paediatrics, critical care, anaesthetics, stroke, oncology, surgery, mental health, midwifery, diabetes, endocrinology, respiratory, population health, social care, physiotherapy, diagnostics and audiology. The QuicDNA study is being undertaken in Wales to evaluate the benefit of introducing a liquid biopsy as part of the diagnostic pathway for lung cancer with the aim of shortening the time for treatment decision making and to enable patients to receive personalised targeted treatment more rapidly. Following an initial feasibility phase, CTMUHB has joined the expansion phase of the study. With the support of the Respiratory teams at all 3 acute sites, CTMUHB has achieved the highest participant recruitment across all the Health Boards in Wales for the expansion phase of the QuicDNA study to date.

CTMUHB's R&D team facilitates collaborative working with our academic, industry and third sector partners, circulating potential grant funding calls to promote the development of joint grant applications. Recent grant successes include an SBRI Award (£125,626) in collaboration with Cansense Ltd, a local Welsh company, to undertake a project investigating the use of a blood based test and Artificial Intelligence to aid clinicians in prioritising patients presenting with symptoms and Faecal Immuno-test (FIT) positive, for further investigative procedures such as colonoscopy, in support of the Colo-rectal cancer pathway. A Kidney Research UK Allied Health Professional Fellowship (£181,467.50) has also been awarded, in collaboration with Cardiff University. The R&D team continue to support the delivery

of previously awarded research grants to include VR ready, PREDICT-EV and holders of RCBC personal awards. CTMUHB's R&D Department provides an annual Collaborative Academic Research Funding scheme to support staff to develop new research ideas and partnerships with an academic institution and address current healthcare challenges. 5 projects have recently been awarded £2500 each with academic partners from Cardiff Metropolitan University, University of South Wales and Swansea University, undertaking research which includes novel antimicrobial agents, Long Covid, Parkinson's Disease and nursing mothers in the workplace.

Increasing the commercial research portfolio remains a key priority for CTMUHB, with Cardiology, Dermatology and Primary care being areas of success. The R&D team are supporting research active colleagues in Rheumatology, Medicine (neurology), Endocrinology, ENT, Dietetics, Physiotherapy, Gynaecology and Psychiatry (Dementia) to develop their commercial research portfolios. CTMUHB's R&D Department continues to maximise all funding opportunities to further develop the research infrastructure and £180k funding was awarded in November 2024 from a national commercial research initiative to purchase equipment and develop the estate (Primary care) for commercial research. The commercial research opportunities are greatly enhanced by the availability of a Clinical Research Centre at the Royal Glamorgan Hospital. The R&D team continues to work with the Health Board senior leadership teams to secure designated clinical and administrative research space at Prince Charles Hospital and Princess of Wales Hospital sites, to support patient access and research activity at these sites.

CTMUHB's R&D Strategy 2025-2030 has been drafted and has gone through several rounds of consultation internally and externally. The 5 Year R&D strategy and action plan, outlines how CTMUHB will further develop its visibility, infrastructure and research culture with the key aim of embedding research as a core function of the organisation, aligned to UK, National and CTMUHB policies and research strategies. The strategy is currently being taken through the appropriate governance procedures for final ratification prior to implementation across the Health Board.

An important strategic objective is to ensure that CTMUHB supports a portfolio of research that provides inclusive and equitable access to its diverse population. The R&D Department recently undertook a detailed evaluation of 941 participants to ascertain a baseline of the demographic and socio-economic profile of participants recruited to research studies in secondary care supported by the delivery team in CTMUHB between 1st April 2023 to 31st March 2024. The findings clearly indicated that our research participants were representative of CTM's population in terms of age, gender and deprivation quintile. The R&D Department plan to extend this work further by recording additional data for analysis (e.g. ethnicity, health status) and by evaluating the barriers and facilitators to participants who agree to participate in research at CTMUHB. In addition, the R&D team are supporting research involving the prison population and seeking opportunities to work with ENRICH Cymru to support research in the care home population.

The R&D team are also collaborating with and supporting Rhondda Cynon Taf Local Authority (LTA) to develop their own research infra-structure with a view to undertaking joint research studies at the health and social care interface. Made possible following the successful award of £5million to the LTA as part of a Health Determinants Research Collaborations from the National Institute of Health Research (NIHR).

Figure 32



CTMUHB's annual R&D Conference took place on 26th November 2024 at the Vale Resort, Hensol, showcasing the high quality multi-disciplinary and multi-professional research being undertaken across CTMUHB. This important event provides an opportunity for delegates to network and develop further research collaborations. In addition to the keynote speaker, Prof Rob Orford, CEO of Moondance, there were 10 oral and 60 posters presentations documenting the considerable range of research being undertaken by all professions. The event was the best attended to date, with 224 delegates from the NHS, academia, industry, Welsh Government and patient representatives. The event was shared through CTMUHB R&D's and Health and Care Research Wales's social media.

This year's first prize winner for the oral presentations was a Health Visitor and first-time researcher from CTMUHB who explored the barriers and facilitators to breastfeeding infants among Gypsies and Travellers in Wales. Second place was awarded for a project investigating outcomes in patients with acid related GI symptoms and the set-up of a local capsule sponge investigative pathway (Gastroenterology). Third place was awarded to members of the Critical Care Psychology team who undertook a retrospective review of incidences of delirium in critical care.

The **Public and Population Health Directorate** led by Philip Daniels, Executive Director of Public Health, wishes to highlight the following matters from 2024-2025:

## Public and Population Health

### Diabetes

A newly developed Executive level, Diabetes Programme Board has been established where new governance and reporting arrangements, work streams and priorities will be agreed for 2025 onwards. A CTMUHB 5-year diabetes

strategic plan is under development to include focus on all aspects of the diabetes pathway including prevention. This plan will be supported by the development of a year one delivery plan early in 2025. Alongside this we are continuing to work in collaboration with Public Health Wales and wider colleagues to support and learn from the national Tackling Diabetes Together Programme.

Key deliverables in 2024-2025 have included:

- The All Wales Diabetes Prevention Programme (AWDPP) has extended delivery in the Merthyr & Bridgend West clusters. CTM wide roll out will commence from April 2025 when additional funding from the Strategic Programme for Primary Care (SPPC) fund will transfer over to dietetics to allow increased staffing capacity;
- Providing the public health input to several key clinical improvement and Value Based Health Care (VBHC) programmes of work including the development of a 5-year implementation plan for the Hybrid Closed Loop Technology in response to National Institute of Clinical Excellence (NICE) guidance and VBHC podiatry and eye screening projects;
- Commencement of the 8-care process improvement work. CTMUHB is currently collaborating with practices to assess the support required and distribution of additional resources as appropriate to tackle any current gaps and gain a greater understanding of issues to inform the development of a longer term, sustainable and effective model of care over the coming year;
- Work has been undertaken with the Public Health Wales Behavioural Science Unit in collaboration with several external academic partners to help develop a behaviourally informed approach to improving care and self-management. The approach has included a participatory workshop which was held in April 2024 and brought together a diverse range of healthcare professionals involved in diabetes care in CTMUHB. Ongoing consultation regarding findings has been undertaken with local stakeholders to collectively identify opportunities for intervening in the system to optimise outcomes;
- Utilising these findings and the outcomes of further evidence review work, a training package and resources are currently being developed for staff in primary care;
- Recognising the major risk factor that obesity is for Type 2 diabetes, extensive work has been carried out both with a variety of stakeholders to take forward the 'Healthy Wales Healthy Weight' approach locally and with our colleagues in dietetics to develop and implement our weight management offer as a Health Board;
- A business case has been submitted to implement a diabetes remission service across CTMUHB.

#### Key priorities and actions/milestones for 2025-2026

- To implement a new 2025-2030 Health Board Strategy for Diabetes and Year One action plan.
- To establish a robust governance structure to take forward improvements and monitor outcome in the diabetic pathways.

## Creating health Delivery Plan

Creating Health is one of the strategic pillars of the CTM 2030 strategy, focusing largely on prevention and population health with the following overarching aims;

- Increasing healthy life expectancy and reduce inequalities.
- Ensuring equal focus on mental and physical health.
- Building healthier communities.
- Being a healthy organisation.

The purpose of the Creating Health Programme is to provide specific focus and strategic oversight of work to develop CTMUHB as a leading population health organisation. The programme will oversee the delivery of several defined workstreams and provide specialist input into the programmes of contributing work delivered across CTMUHB.

A delivery plan has been drafted to reflect these responsibilities and set out a mechanism for monitoring progress against these.

The following objectives are included in the plan;

- Improve population health metrics (health risks/ behaviours, life expectancy and healthy life expectancy) and reduce inequalities in health (within CTMUHB and between CTMUHB and Wales)
- Become a population health organisation (modelling priority action areas on the [Ottawa Charter](#))
- Build Healthier Communities
- Empower Systems leadership for Population Health Improvement

The delivery plan has been drafted through a series of engagement activities with stakeholders across the health board and approved at the Creating Health Programme Board in November 2024.

A draft data dashboard has been developed using multiple relevant sources of data into one document to facilitate ongoing review. This work is ongoing and will be further developed in 2026-2027.

## Operationalising Population Health Management (PHM)

CTMUHB is the first area in Wales to have successfully implemented a Population Health Management programme that has been running for the past few years with the aim of improving population health in CTM. The programme has focussed on building PHM capabilities across the three pillars of innovation, intelligence and implementation. The approach uses data from all but one GP practice in CTM linked with secondary care data via the Secure Anonymised Information Linkage (SAIL) Databank in collaboration with Digital Health Care Wales (DHCW) (data flows were able to be reinstated in 2024 following closure of former partner Sollis Ltd). An in-house population segmentation model has been developed and used in several feasibility projects in different cluster areas. These projects have been completed and evaluated to inform the next phase of delivery.

In 2025-2026, the PHM programme will look to operationalise PHM approaches on a CTM-wide service level and will focus in on frailty, in addition to continuing support of innovative approaches led by primary care partners. This will sit alongside a planned development programme for primary care and other partners to support them to deliver PHM approaches in frailty and other cohorts. With this approach, best use will be made of limited resources to proactively drive and develop a fully integrated PHM programme that can be used as a model for other priority areas in the future.

### Health Improvement in Cwm Taf Morgannwg

The Public Health team continues to work on tackling the key causes of ill health in CTM, such as smoking, unhealthy diets, lack of exercise, and substance use (drugs and alcohol). Underlying these is a common thread of poverty and inequality, and more work is required to improve the foundations of health in our communities. Our teams have worked with partners across the health board and the region as we try to reduce the harms from unhealthy behaviours.

#### Tobacco

Smoking caused around 1 in 10 of all deaths in CTM between 2020-2022. Key achievements in relation to smoking/tobacco include:

- The Help Me Quit (HMQ) in Hospital service is now being delivered five days a week across all DGH sites driving up referrals.
- Work with mental health services continues, aiming to reduce smoking rates in people with mental health diagnoses.
- Smoking in pregnancy pathways are being implemented across maternity services and the HMQ for Baby service is in operation.
- Focused communications and Making Every Contact Count (MECC) training with primary care and optometry continue to drive up referrals.
- The HMQ community service have piloted in person provision in GP surgeries and community groups to increase awareness and accessibility and continue to work towards a hybrid delivery model.
- Work to increase provision of HMQ in community pharmacies and improve quit rates has begun, including training sessions and resources.

All this work has contributed to CTM achieving the 5% target of adult smokers making a quit attempt in 2023-2024 and projected to reach the target again in 2024-2025.

There has also been a particular focus on preventing youth vaping this year. The Health Promoting Schools team have provided curriculum resources for schools and training has been developed and delivered to Youth Workers and School Nurses across CTM enabling them to support young people who vape.

#### Healthy Schools

The Health Promoting Schools and Healthy Pre-schools programmes are working to support a whole setting approach to health & well-being, which includes leadership, policy, education and support for staff and learners.

- 69% of schools in CTM are implementing action plans to embed a whole-school approach to emotional and mental wellbeing.
- 103 settings have achieved accreditation for the Healthy Pre-schools programme, with a firm focus on healthy weight.

### Behavioural Science and Making Every Contact Count (MECC)

- Upskilling over 400 health workers and frontline staff in partner organisations to help them have impactful, brief conversations around key health topics such as smoking and alcohol. Innovative work with optometry to support new community contract.

### Healthy Weight

We are taking a whole system approach to healthy weight as part of the delivery of the healthy weight healthy Wales strategy. This year we have worked hard to understand the system and make it more visible to stakeholders to enable us to make decisions collaboratively that will lead to a healthier environment for our residents. We have spoken to community members and stakeholders to understand the barriers to a healthy weight in our communities.

Working across the region with partners, the development of a long-term road map for healthy weight in CTM across all domains has begun and will be further developed in 2025-2026. This includes working with partners to ensure that is it easy for babies born today, to grow up to be a healthy weight by creating healthier environments, developing CTM as a healthy setting (good food, healthy travel, workforce wellbeing), supporting individuals and families to achieve and maintain healthy weight and other wider workstreams. An action plan supported by a regional forum is under development for the Whole System Approach to health Weight.

Wider work includes

- Supporting the development of the CTMUHB infant feeding strategy.
- Revitalising peer support networks for breast feeding in Rhondda Cynon Taff as part of a collaborative Child Poverty Grant from Welsh Government.
- Working with food sustainability partnerships to improve access to good quality food.
- Development of a regional healthy travel charter to encourage employers across CTM to make it easier for their staff to travel sustainably.
- Supporting the continued development of the Pipyn programme to support children and families with issues around healthy weight.

### Substance use

Alcohol is a significant contributor to morbidity and mortality, with deaths increasing nationally. Drug related deaths remain higher than the Wales and UK averages. There is currently no national strategy for drugs and alcohol, and action is essential.

The Alcohol Care Team (led by Gastroenterology) has worked to improve care for people with alcohol dependency and reduce repeat admissions, and the Area Planning Board has led a range of work to reduce harms from drugs and alcohol.

The Public Health team will be supporting the recommissioning of substance use services for CTM in 2025/26 and increasing our resource in this essential area to reduce harms from alcohol and drugs in the region.

### Health Protection in Cwm Taf Morgannwg

In 2024-2025, there has been development of a system-wide Health Protection Strategic Plan to enable an integrated Health Protection system in CTM to prevent and mitigate risk from communicable disease and other threats to health. The core themes of the plan are around improvements to surveillance and insight, governance and coordination, preparedness, prevention and management of health protection risks, as well as health protection aspects of housing and health and climate change and health. Core to the strategic plan is the systematic identification and addressing of inequalities around all health protection areas of work.

### Achievements and milestones in 2024-2025

Key achievements in 2024-2025 have involved:

- The development and recruitment to the CTMUHB Health Protection operational and strategic teams.
- A refresh of the CTM governance for Health Protection.
- Improved preparedness for measles and high consequence infectious disease
- Sign up to Fast Track Cymru network to support the work to end new transmissions of HIV in Wales by 2030.
- Significant improvement in Hepatitis C testing in key vulnerable groups in CTMUHB.

### Key priorities and actions/milestones for 2025-2026

- In 2025-2026, CTMUHB have been awarded an addition £1.06m for health protection which will be focused on creating capacity across the CTM health protection system around coordinated community infection, prevention and control; addressing inequalities in vaccination and testing; emergency planning and preparedness for pandemic, and communications and engagement with communities around health protection.
- Implementation of the national Health Protection Framework
- Development and implementation of systematic approaches to address inequalities in health protection
- Delivery of plans to eliminate or reduce communicable disease including Hepatitis B/C and HIV.

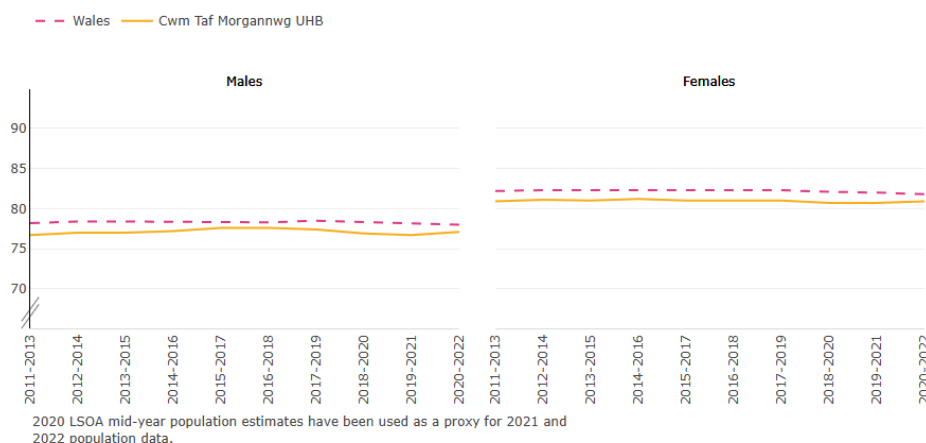
## The Population We Serve

The resident population of CTMUHB was estimated at 446,514.<sup>1</sup> The region has high levels of deprivation, with 56.5% of the population of CTMUHB area living in the two most deprived fifths in Wales.<sup>2</sup> The highest levels of deprivation lie mainly in the valleys to the north of CTMUHB area.

The challenges of poorer health outcomes for the population CTMUHB are considerable when compared to Wales as a whole and large inequalities exist within the Health Board area. Life expectancy for men and women in CTMUHB is less than the Welsh average, and the difference in healthy life expectancy (the number of years a person can expect to live in good health) is also considerably lower for men and women. The inequality gap for our population compared to the rest of Wales in terms of life expectancy and healthy life expectancy can be seen in the following charts:

### Life expectancy at birth, Total, males and females, 2011-2013 to 2020-22

Figure 33

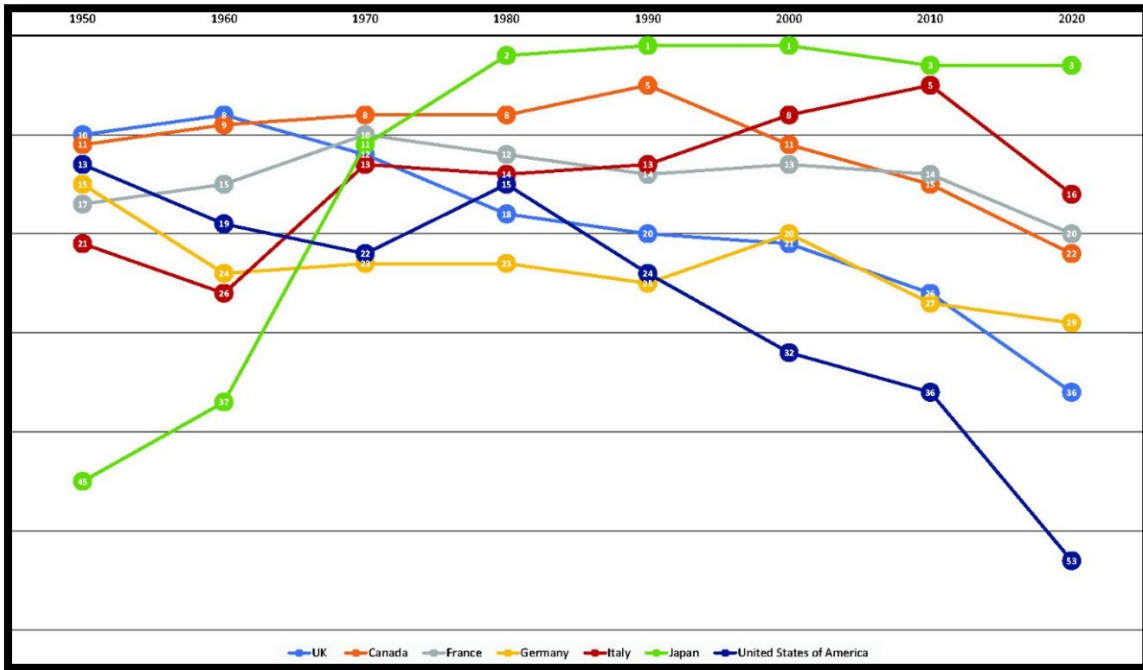


Source ©2024 PHW using APS, 2011 Census, PHM, MYE (ONS)

Seen within the wider UK context, in 1950, the UK had the 7th highest life expectancy in the world, the highest of all G7 countries (UK, Canada, USA, Germany and Italy, France and Japan).<sup>3</sup> By 2023, life expectancy in the UK was 6th amongst the G7.<sup>3</sup> Only the United States has fared worse, as shown below.<sup>3</sup>

**Countries of the G7's international life expectancy rankings, 1950–2020.**

Figure 34

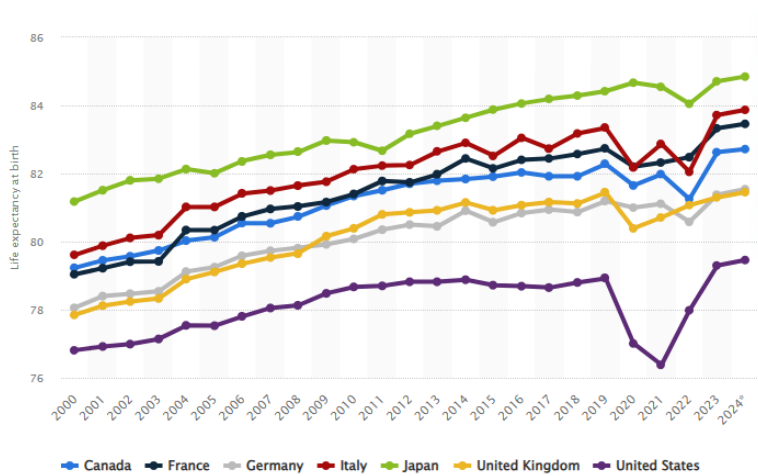


Source: UN data, 2022.<sup>3</sup> Note: The data shown are the annual data for the corresponding year – not an average for the decade.

Recent trends in life expectancy in the UK broadly follow the pattern in other G7 countries, with a dip for years 2020-2023, then return to a slowly increasing life expectancy pattern as outlined below.

**Countries of the G7's international life expectancy rankings, 2000-2024.**

Figure 35

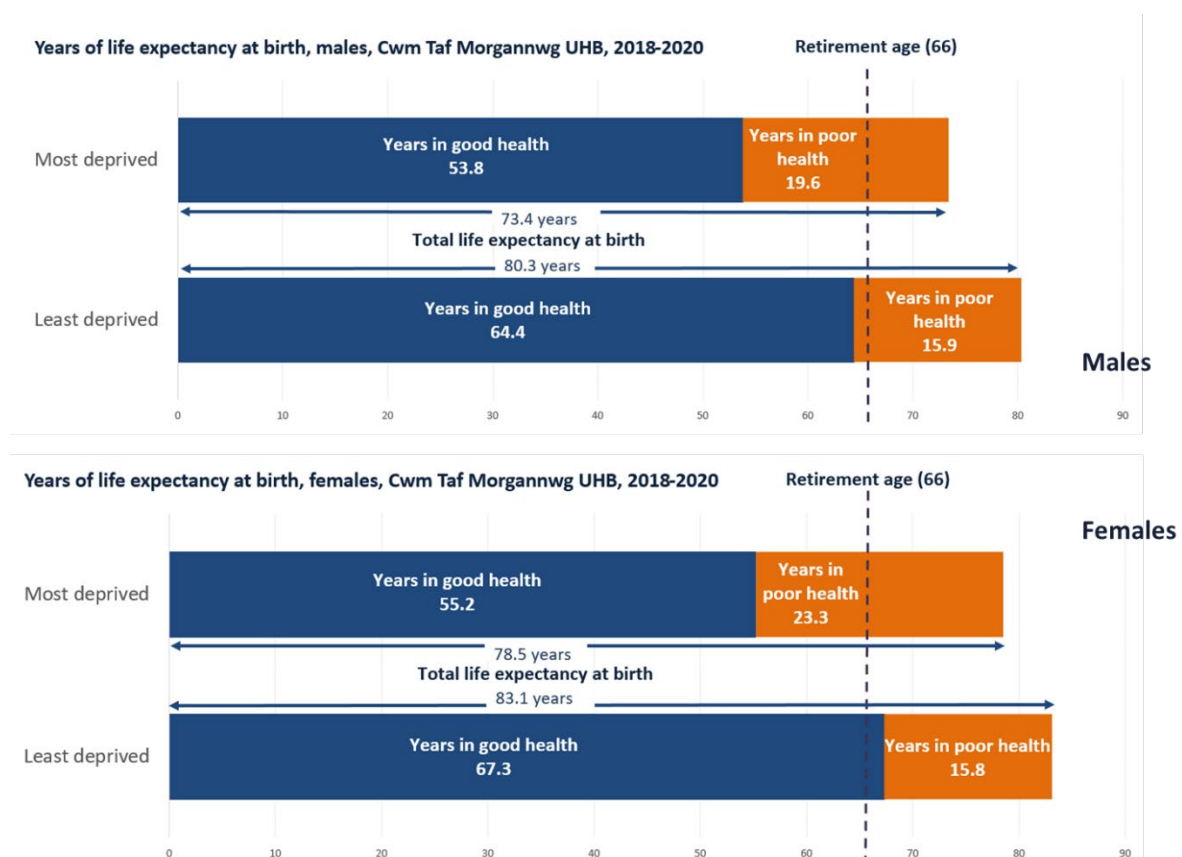


Source: Statista, 2024. Note: 2024 is estimated life expectancy

Whilst the relative worsening position can be explained in part by other countries, particularly in Asia, “catching up”, social and economic policies lie at the heart of this decline. Income inequality has continued to rise since the 1980s. In financial year ending (FYE) 2022, the income of the richest 20% of people in the UK was over six times higher than the poorest 20%, while the richest 10% received 50% more income than the poorest 40%.<sup>4</sup> This has led to an increase in the variation in life expectancy between different social groups. One reason why the overall increase in life expectancy has been so sluggish in the UK is that, in recent years, it has fallen for those living in deprivation. Within Wales, whilst female life expectancy in the richest (least deprived) fifth of the population continues to rise, it is falling for women in the most deprived fifth.<sup>5</sup>

The difference between lived experiences in those in most and least deprived areas remains, with substantially more years lived in poor health in those in deprived areas, and a notably poorer experience in females, as shown below.

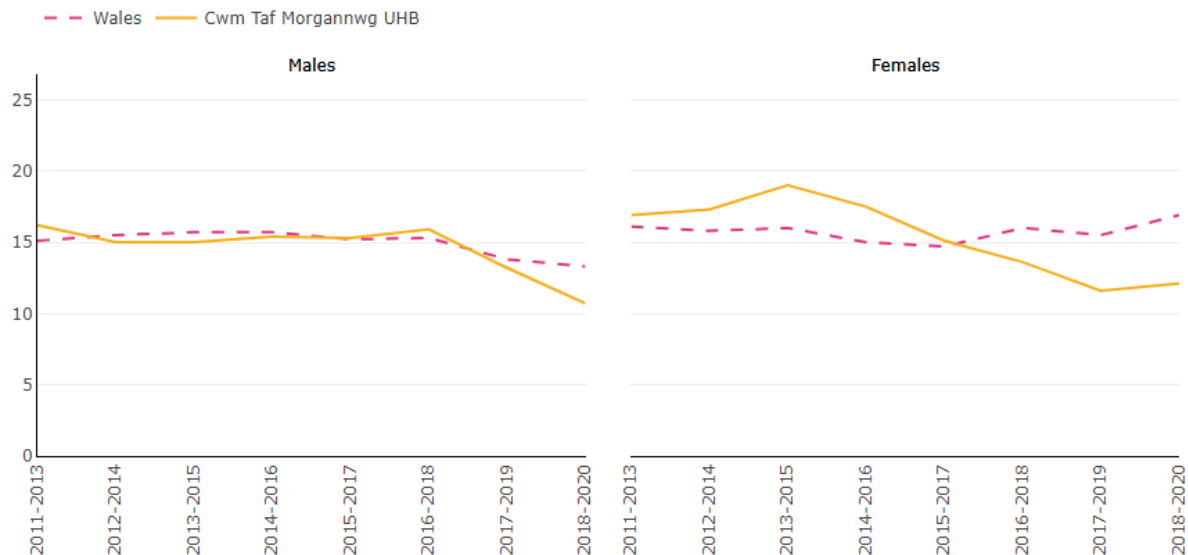
Figure 36



Source: Chart produced by CTM UHB public health team using data from PHW (APS, 2011 Census, PHM, MYE (ONS))

## The gap in Healthy life expectancy at birth between the most and least deprived, males and females, 2011-2013 to 2018-2020

Figure 37



Source ©2023 PHW using APS, 2011 Census, PHM, MYE (ONS)

CTMUHB experienced the worst COVID-19 outcomes in Wales<sup>6</sup>; however, the decline in life expectancy and healthy life expectancy predates the pandemic. Austerity measures since 2008 have affected not only the wider determinants of health, but also the capacity of services to address increasing demands placed upon them. A steepening social gradient in health has resulted in poorer people spending more of their shorter lives in ill health,<sup>7</sup> The current cost of living crisis serves to compound these already stark inequalities. Taken in conjunction, we are at risk, warns Professor Sir Michael Marmot, of a “*significant humanitarian crisis*”.<sup>8</sup>

Additionally, the region lags behind Wales in terms of practising healthy behaviours. Healthy behaviours impact on the rates of conditions such as diabetes, heart disease, dementia and cancer. The following are some of the key risk factors for our population:

- High smoking prevalence in those aged 16 years or older (‘daily smoker’ or ‘occasional smoker’); Rhondda Cynon Taf at 15.7%, Merthyr Tydfil at 15.8% and Bridgend at 10.1% when compared with Wales at 12.8% (2022-23 National Survey for Wales).
- 67.7% of adults in CTM are overweight or obese. This compares with an all-Wales average of 61.7%. The Wales average for those aged 16 or over, eating at least five portions of fruit or vegetables a day is 29.1% compared with 25.3% in CTM. At Local Authority level, the percentage of people eating at least five portions of fruit or vegetables was highest in Bridgend (31.0%), followed by Rhondda Cynon Taff (22.7%), and lowest in Merthyr Tydfil (22.0%). Similarly, those aged 16 or above meeting the physical activity guidelines is 55.7% for Wales, with all CTM areas reporting lower figures (Rhondda Cynon Taf 54.8%, Bridgend 51.2%, and Merthyr Tydfil 47.9% (Adult lifestyle by local authority and health board, StatsWales, July 2023).

- CTM has a higher prevalence (26.9%) of overweight or obesity than Wales (24.8%) amongst 4 to 5-year-olds (Child Measurement Programme, 2024). This is highest in Merthyr Tydfil (29.4%), followed by RCT (28.2%) and Bridgend (23.7%)
- High levels of teenage pregnancy at 20.5% in CTM compared with 15.2% in Wales (PHOF, 2021).
- Low levels of breastfeeding at 10 days, with 30.4% in CTM and 38.0% across Wales as a whole (PHOF, 2023).
- Higher percentage of babies in CTM born with low birth weight (6.9%) compared to Wales (6.2%) (PHOF, 2023).

These factors, coupled with the impact of COVID-19 on health and social care services which is still being felt by our population (with people experiencing longer waiting times for diagnostics tests and treatment) means that the focus of our three-year plan must be to address inequalities, at the same time as delivering healthcare service development and recovery. Our aim is to ensure that we undertake activity to improve the health and wellbeing of our population alongside activity to improve access to services and incorporate proactive and preventative approaches based on population need. It is fundamental that we seek to improve access in a sustainable way, reducing our impact on the environment, which in itself is a prevention activity, through redesigning healthcare to reduce waste and unnecessary steps and delivering value-based healthcare (VBHC) pathways and avoiding the delivery of interventions of limited value.

## The Wider Environment

The post-pandemic environment presents health and social care organisations with sustained and new challenges. The impacts of operational pressures and workforce constraints (across health and social care systems) alongside ongoing impacts of COVID-19 and the significant financial pressures present a complex challenge to planning and recovery of services. CTMUHB's over-riding imperative is to deliver our statutory functions to provide safe and high-quality healthcare services to our population balanced with the financial duties.

Given the complexity of the environment, and scale of challenge facing our organisation, we are presenting this plan in a three-year context, with a focus on the actions required for the first year, in recognition of the dynamic approach to planning required to drive sustainable change in this context.

## References:

<sup>1</sup> *StatsWales, Mid-year population estimates (2009 onwards), by Welsh health boards, by single year of age and sex, November 2023*

<sup>2</sup> *Welsh Index of Multiple Deprivation 2019 with populations from ONS, 2020*

<sup>3</sup> *Hiam L, Dorling D, McKee M. (2023) Falling down the global ranks: life expectancy in the UK, 1952–2021. Journal of the Royal Society of Medicine doi:[10.1177/01410768231155637](https://doi.org/10.1177/01410768231155637)*

<sup>4</sup> [Household income inequality, UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>5</sup> [Life Expectancy and Mortality in Wales \(2020\) - Public Health Wales \(nhs.wales\)](https://nhs.wales)

<sup>6</sup> *CTM Director of Public Health report, 2022*

<sup>7</sup> *The Marmot review 10 years on*. Available at: [the-marmot-review-10-years-on-executive-summary.pdf \(instituteofhealthequity.org\)](https://www.instituteofhealthequity.org/publications/the-marmot-review-10-years-on-executive-summary.pdf)

<sup>8</sup> *Institute of Health Equity (2022) Fuel Poverty, Cold Homes and Health Inequalities in the UK* <https://www.instituteofhealthequity.org/resources-reports/fuel-poverty-cold-homes-and-health-inequalities-in-the-uk>

<sup>9</sup> [Immunisation and Vaccines - Public Health Wales](https://www.instituteofhealthequity.org/publications/immunisation-and-vaccines-public-health-wales)

<sup>10</sup> [phw.nhs.wales/topics/immunisation-and-vaccines/cover-national-childhood-immunisation-uptake- data/cover-inequalities-reports/annual-inequalities-report-202324/](https://phw.nhs.wales/topics/immunisation-and-vaccines/cover-national-childhood-immunisation-uptake-data/cover-inequalities-reports/annual-inequalities-report-202324/)

## CTMUHB Vaccination Programme

Vaccination is one of the most effective public health interventions, preventing up to 3 million deaths globally each year.<sup>9</sup> It plays a critical role in disease prevention, second only to clean water in its impact on public health.

The UK Government, Welsh Government, and Public Health Wales set national immunisation schedules and targets to support disease elimination (e.g., Hepatitis, HIV) and protect vulnerable populations through herd immunity (e.g., influenza, measles) or targeted programmes (e.g. Mpox). Vaccination services are delivered across primary and secondary care and through various health board services. Vaccinations are captured through a range of mechanisms, with data collated and published by Public Health Wales and the Welsh Government.

CTMUHB has consistently performed well in routine childhood vaccinations compared to the all-Wales average since 2004, with high infant uptake rates. However, declining uptake of MMR2 and the 4-in-1 preschool booster at age 5 is a concern, and the overall immunisation rate, including HPV at age 15, falls to 72% (PHW annual COVER report 2023/4).<sup>10</sup> Immunisation uptake disparities between the most and least deprived areas have widened in recent years, highlighting the need for targeted interventions. Additionally, national immunisation schedule changes will increase resource demands, requiring a review of workforce capacity and service delivery models.

CTMUHB has also experienced a decline in winter respiratory vaccine uptake across all eligible groups, aligning with all-Wales trends despite efforts to improve coverage. Uptake remains particularly challenging among clinically at-risk groups (ages 5–64), contributing to increased winter pressures on healthcare services and poorer health outcomes, particularly for those with complex health needs.

To address these challenges, CTMUHB is committed to developing a sustainable, equitable, and efficient vaccine delivery model that reduces disparities, strengthens immunisation uptake, and supports broader public health objectives.

## National Vaccination Uptake Targets

NHS Wales published four vaccine-related delivery measures in 2024-2025 ([NHS Wales Performance Framework 2024 to 2025](#)) in the NHS Performance Framework, which are reflected in the incremental targets within our three year Vaccination and Immunisation Strategic Plan:

Figure 38

Delivery measure	
1	Percentage of children who are up to date with the scheduled vaccinations by age 5 ('4 in 1' preschool booster, the Hib/MenC booster and the second MMR dose)
2	Percentage of children receiving the Human Papillomavirus (HPV) vaccination by the age of 15
3	Percentage uptake of the influenza vaccination amongst adults aged 65 years and over
4	Percentage uptake of the COVID-19 vaccination for those eligible

### Local Performance 2024 – Childhood Vaccination and Influenza

#### Routine Childhood Vaccinations

The following table (derived from Public Health Wales COVER report 152 - [cover report Feb 95 \[WP\]](#)), shows the % uptake of selected vaccinations in resident children reaching their 1st, 2nd, 5th and 16th birthday between 1 July 2024 and 30 September 2024, and resident on 30 September 2024, compared to Wales.

The national uptake target for all routine children’s immunisations, except the Human Papillomavirus Virus (HPV) vaccine, is 95%.

Figure 39

Area	Age 1 year				Age 2 years				Age 5 years		Age 16 years			
	6 in 1 <sup>1</sup>	Men B <sup>2</sup>	PCV	Rota-virus	6 in 1	Men B <sup>3</sup>	PCVf <sup>4</sup>	Rota-virus	MMR 2	4 in 1 <sup>1</sup>	MMR 1	MMR 2	Men ACW Y	Teen booster 3in1 <sup>5</sup>
Bridgend	95.8	95.5	97.5	93.9	95.4	95.7	95.7	94.8	92.8	92.8	97.9	95.3	83.3	83.7
Merthyr Tydfil	92.9	93.5	96.1	90.3	94.3	94.3	94.3	94.3	91.0	90.4	99.0	97.5	74.0	74.5
Rhondda Cynon Taf	97.2	97.6	98.3	96.4	94.6	94.5	94.5	94.3	92.6	91.2	97.1	95.4	78.9	79.2
CTM total	96.1	96.3	97.7	94.7	94.8	94.8	94.8	94.5	92.4	91.6	97.6	95.6	79.6	80
<b>Wales</b>	<b>94.2</b>	<b>94.1</b>	<b>95.9</b>	<b>91.6</b>	<b>92.8</b>	<b>92.5</b>	<b>92.5</b>	<b>92.6</b>	<b>90.0</b>	<b>89.5</b>	<b>95.8</b>	<b>93.0</b>	<b>74.4</b>	<b>75.5</b>

1 Uptake of pertussis used as proxy.

2 Uptake of two doses of meningococcal serogroup B (MenB) vaccine, scheduled at two and four months of age.

3 Uptake of 3 doses of meningococcal serogroup B (MenB) vaccine, scheduled at two, four and 12-13 months of age.

4 Children receiving the final dose of PCV.

5 Uptake of diphtheria (reinforcing booster dose) used as proxy.

### Influenza

The following tables, derived from (Public Health Wales IVOR data: [Workbook: \(IVOR TABLES 2024-25\)](#)) show the % uptake of Influenza by Health Board, Local Authority and Wales, as of 4<sup>th</sup> March 2025. The national uptake target for Influenza is 75%.

Summary by Health Board and Local Authority (4<sup>th</sup> March 2024)

Figure 40

		Children 2-3 years		
		Denominator	Immunised	Uptake (%)
CTMUHB	Bridgend	3080	1316	42.7
	Merthyr Tydfil	1243	515	41.4
	Rhondda Cynon Taf	4852	2083	45.5
	CTM total	8905	3914	44.0
Wales	Wales	60682	26520	43.7

Figure 41

		Clinical risk 6m to 64y		
		Denominator	Immunised	Uptake (%)
CTMUHB	Bridgend	25510	9183	36.0
	Merthyr Tydfil	10118	3273	32.3
	Rhondda Cynon Taf	38671	13812	35.7
	CTM total	74299	26268	35.4
Wales	Wales	473997	174180	36.7

Figure 42

		65y and older		
		Denominator	Immunised	Uptake (%)
CTMUHB	Bridgend	35479	25458	71.8
	Merthyr Tydfil	11879	7680	64.7
	Rhondda Cynon Taf	50173	34414	68.6
	CTM total	97531	37552	69.3
Wales	Wales	718337	504047	70.2

### Achievements during 2024-2025

A number of Welsh Health Circulars (WHC) have been received and enacted. These include, but are not limited to the following:

- WHC 2024/032 RSV vaccination programme 2024
- WHC 2024/ 028 The National Influenza Immunisation Programme 2024 - 2025
- WHC/2024/043 Pertussis vaccination for healthcare workers
- WHC/2024/046 Change to the influenza vaccination programme 2024-2025
- WHC/ 2024/ 047 COVID-19 spring vaccination programme (From April 2025)

Further information on the WHC's received by CTMUHB is captured on page 163.

A range of service development projects have been undertaken in collaboration with departments and teams, such as the Public Health team, the Specialist Immunisation team, Child Health, School Nursing, Primary Care, Occupational Health, Local Authority colleagues, and Public Health Wales to support the above, implementation of the National Immunisation Framework, and CTMUHB incremental targets.

### Service Developments during 2024-2025

- Fluenz/Measles Mumps Rubella (MMR) Mop up Clinics – During January 2025, all unvaccinated children aged 2-11 years old were invited to a Community Vaccination Centre (CVC) for their Fluenz vaccination. Vaccination appointments were sent via the Notify system using an evidence-based template letter, which also included links to Frequently Asked Questions (FAQ) for parents and guardians regarding both vaccination programmes. This project included an in-depth data cleanse of vaccination details held on electronic vaccination platforms. Fluenz vaccinations were given to children, alongside MMR vaccines (opportunistically);
- MMR Staff Vaccination Programme – In line with the WHC, and increasing rates of measles within the UK, the offer to all staff to receive MMR vaccination was

continued. Targeted communications were developed and sent to higher risk areas as identified in the WHC, requesting ward management to promote and support their staff in receiving and reporting MMR status. All staff have been encouraged to check their vaccination status via the Occupational Health portal, and those who do not respond will be invited for vaccination via Occupational Health.

- Pertussis Staff Vaccination programme – In line with the WHC, staff working with infants and pregnant women and not vaccinated in the past five years have been invited for vaccination. An approach targeting those staff groups listed in the WHC was developed, with communications to both managers to support uptake and to relevant staff.
- RSV Campaign: From 1st September 2024, year-round vaccination to older adults as they turn 75 years old. Pregnant women at 28 weeks gestation are now being offered maternal vaccination to protect infants. Both programmes were supported with a 12 month catch up (individuals aged between 75 and 79 years (+364 days) old and for all pregnant women more than 28 weeks gestation).
- 40 GP practices took up the offer to vaccinate the older adults and community vaccination centres supporting the cohort of the additional 13 GP practices. All maternal RSV vaccinations were offered through our CVCS, working closely with our Maternity department for referral into CVCS at the 28week mark.
- Winter Respiratory Programme – A number of activities were undertaken over the winter respiratory period to support uptake of the vaccinations (flu vaccine and COVID-19 booster) by Healthcare staff. Staff were able to access their vaccinations via a variety of opportunities, such as walk-in appointment in the CVCs, and clinical site walkabouts. Previously gathered insight and data were used to inform the development of targeted communications for staff, and a number of staff Q&A sessions were attended to answer questions on the vaccines, and to provide information on how to access. In addition, a staff FAQs document was developed, and shared.

#### *Audit 2025: Vaccination strategy implementation*

Between November 2024 and January 2025, the NHS Wales Shared Service Partnership (NWSSP), undertook an audit to review the vaccination strategy implementation process and plans for ensuring equity for vaccine uptake. Although there is demonstrable evidence of the action taken to improve vaccination equity and take-up rates matters detailed in the internal report, requiring management attention are:

- Completion of the implementation plan to support the Vaccination and Immunisation Strategic Plan and the Vaccine Equity Strategic Plan.
- Reviewing the effectiveness and so validity of appointing a network of Vaccination Champions to increase the low staff vaccination rates, which received a very limited response from Health Board staff this year.
- Clarity to be provided on the reporting arrangements currently done through multiple boards, committees and groups.

## Forwards look for 2025-2026

The focus for 2025-2026, will be our three-year Vaccination and Immunisation Strategic Plan, which is underpinned by the Vaccine Equity Strategic Plan, and is informed and guided by data, learning from the national strategic policy context, and the design principles set out within the National Immunisation Framework. Our long standing aims within CTMUHB's vaccination programmes are:

- To reduce preventable disease in the population by vaccinating consenting individuals at the appropriate time, in line with recommendations from the Joint Committee on Vaccination and Immunisation (JCVI) and direction from Welsh Government; and
- To reduce the inequality in preventable disease distribution in CTM by increasing uptake of vaccinations and reducing vaccine inequities.

Our goal is to achieve vaccination uptake in line with the national targets set by Welsh Government, and our Strategic Plans encompass 5 improvement pillars to support our implementation of the National Immunisation Framework:

- Vaccine Equity;
- Data and Monitoring;
- Evidence Based Practice and Evaluation;
- Innovation and Sharing; and
- Governance and Accountability.

CTMUHB has a statutory duty for improving and protecting population health. It is assured that it discharges its duties through relevant Board and Committee structures. A detailed 3-year CTMUHB vaccination and immunisation implementation plan will be developed which will outline how this strategic plan will be delivered across CTMUHB, and used for reporting purposes, and assurance.

## Wellbeing of Future Generations (Wales) Act (WBFGA) 2015

### Wellbeing Statement

### **"Our Health, Our Future – Building Healthier Communities Together"**

Figure 43



CTMUHB's Wellbeing Objectives are fully aligned and integrated with the CTM2030: Our Health, Our Future strategy and our ambition to be a population health organisation.

## Wellbeing Objectives

During 2024-2025 a review of the CTMUHB wellbeing objectives was led by Philip Daniels, Executive Director of Public Health. Whilst there was good read across to six out of seven of the wellbeing goals in the WBFGA, it was recognised that a reflection of our ongoing activities and commitments to the Welsh Language was needed. Therefore, an additional objective was added, ratified and approved by the Health Board in April 2025.

- Our current Wellbeing Objectives are:
- Work with communities and partners to reduce inequality;
- Promote wellbeing and prevent ill-health;
- Provide high quality, evidence based, and accessible care;
- Ensure sustainability in all that we do, economically, environmentally and socially; and
- Co-create with staff and partners a learning and growing culture.
- Embed the Welsh language in all we do, recognising the importance of Welsh in people's care and our contribution as an anchor organisation to the wider aim in Wales of reaching a million Welsh speakers.

## Activity during 2024-2025

A commitment to the principles of the WBFGA continues to provide a "golden thread" throughout the work of the Health Board. The CTM2030 Strategy, Our Health, Our Future, continues to guide CTMUHB's ambitious programme of strategic transformation, identifying four strategic priorities (creating health, sustaining our future, improving care and inspiring people), underpinned by strategic implementation groups which work across the life course.

Work plans have been developed for each of the strategic priorities and groups are meeting regularly to report on progress.

The Creating Health strategic pillar foregrounds Population Health Management approaches across the work of CTMUHB, which aim to embed data-driven planning and delivery of proactive care to improve the health of the population, whilst reducing health inequalities within and across the population. The Creating Health Programme Board also provides specific focus and strategic oversight of work to develop CTMUHB as a leading population health organisation.

A key facet of this is the Building Healthier Communities Steering Group, which continues to coordinate activities which contribute to developing, supporting, and working with our communities to build capacity to encourage wellbeing and prevention.

This includes:

- Our role as an anchor institution;
- Our role as part of the foundational economy and circular economy;
- Our role in ensuring "More than just words" is enacted and embedded;
- Our role in achieving Net Zero.

The Sustaining our Future strategic pillar encompasses the sustainable development principles of the WBFGA, and our commitment to:

- Becoming a green organisation;
- Ensuring our services financial sustainability;
- Embedding value-based healthcare;
- Ensuring our estate is fit for the future.

The overarching ambition of “building healthier communities together” represents a fundamental shift towards preventing ill health from happening, rather than treating people when they get sick, whilst ensuring that we are able to provide the best care possible when people need our support.

Recognising that many of the determinants of population health and wellbeing exist outside of our direct control, CTMUHB is actively pursuing its role as an effective system leader; working with community leaders and multi sectoral partners to achieve better population health outcomes and reduce health inequalities for people living in CTMUHB.

During the past year we have continued to demonstrate commitment to the Seven Wellbeing Goals and five ways of working, as laid out within the WBFGA. For example, we have;

- Further established the CTM2030 Community Leaders’ Network for developing and building new relationships and partnerships between CTM UHB and the voluntary and community sector in Cwm Taf Morgannwg. This in-person forum meets quarterly; it facilitates discussion with community leaders across the three strategic aims. It also creates opportunity to test thinking and ideas for change or improvement. This year this has included organ donation, vaccinations, diabetes and community engagement approaches;
- Improved how we share information, and engage with, community leaders by continuing to use ‘highlights/actions reports’ following each community meeting and by developing a dedicated CTM2030 Community Leaders’ Hub;
- In conjunction with our local authority partners, we developed and approved a Memorandum of Understanding, setting out the ambition in the region to develop a Regional Partnership Agreement (RPA). This RPA will support the delivery of seamless services for older people, people living with frailty and their careers, through an Integrated Community Care System.
- Played a key role in an innovation ‘sprint’ in response to government policy to change the eligibility for winter fuel allowance. The initiative was developed as a result of the concerns about increase vulnerability in older people due to fuel poverty and the well published link between living in cold home and worsening health and wellbeing. Emerging data from DWP estimated that over 6,000 eligible claimants in CTM are not accessing pension credit and other related benefits (including winter fuel allowance) and the aim for the initiative was to increase the awareness and uptake of Pension Credit among eligible individuals in the CTM region. This initiative was led by CTM RIC Hub and in collaboration with CTM Public Health Team, Local Authorities, local Care & Repair agencies, local Citizens Advice Teams, Age Connects Morgannwg, local MP office and Registered Social Landlords and supported by the CTM Regional

Partnership Board. The initiative utilised a range of communication channels (including letters, posters, social media, in person events etc.) to reach eligible individuals who are residents in the CTM region to raise awareness, signposting and referral to support available to apply Pension Credit. Innovative population health methodology was used to identify respiratory patients who are the most vulnerable to cold home related health issues and pro-actively contacting them to raise awareness and support their applications for Pension Credit. A total of 689 patients was identified and 85% were successfully contacted. 205 individuals (70%) who were successfully contacted, eligible and not already receiving Pension Credit were either signposted to the Welsh government online application portal and/or directly referred to Care and Repair (or Registered Social Landlord for those living in RSL accommodation) to received bespoke support in applying Pension Credit.

- Continued to implement the nationally funded Promote, Prevent and Prepare Programme (known as 3Ps) which is reliant on health boards collaborating with the third sector to support the provision of holistic, person-centred support for patients whilst waiting for treatment. Within CTMUHB we recognised the limitations of a written directory of services as a sustainable, up-to-date information resource to facilitate personalised health plans by the Keeping in Touch Team (KITTT). Instead, we have worked in partnership with the County Voluntary Councils (CVCs) who have teams of social prescribers, who are able to keep pace with the dynamic landscape of community services as a 'living' directory of services. Therefore, collaboration with the CVCs is a crucial priority for the future in delivering the 3P's programme.
- Co-produced with regional stakeholders from across the early years' system and families our Baby and Toddler Voice Statements. Using the voice of the baby the statements provide an early years' focus to the [United Nations Children's Rights Charter](#) and aim to motivate infant oriented actions and policies at both community and societal levels.
- Continued to identify partnership opportunities with local groups, organisations and charities for supporting people's health and wellbeing needs. This has included, for example, the CTM Neurodevelopment Improvement Programme, which is a collaborative, multi-agency mechanism aimed at driving continuous improvement for all services across the region to enable neurodivergent people of all ages to lead fulfilling lives;
- Continued to lead a Whole System Approach to Obesity, working across the region to build a shared understanding of how our environment shapes our weight and the challenges our residents face in achieving a healthy weight
- Increased focus and delivery on MECC. MECC is a public health approach to behaviour change that utilises daily interactions to support people with making positive changes to their physical and mental health and wellbeing. We have focused on embedding the MECC approach to support and empower CTMs community leaders to contribute to the population health agenda
- CTMUHB has made significant progress in enhancing its bilingual services; over 200 staff members were supported in learning Welsh during 2024-2025, with increased use of Welsh and positive experiences reported. Initial steps for strategic workforce planning for bilingual skills were taken, including development of guidance on assessing Welsh language skills and a gaps

analysis for clinical provision. We have seen improved compliance with Welsh Language Standards and focussed internal communications have improved engagement with the WL agenda across the health board. A national awareness campaign highlighted Welsh language successes and patient rights, with Facebook content reaching over 10,000 views. A comprehensive linguistic profile of all staff was produced, and a five-year Strategic Plan was created to support the ongoing progress towards offering clinical consultations in Welsh and addresses any gaps. Our presence at the Eisteddfod was also a huge success.

Whilst serving as a brief precis, these activities ably demonstrate CTMUHB's long term vision and commitment to the Seven Wellbeing Goals and five ways of working, as laid out within the WBFGA.

### Public Service Boards (PSBs)

Public Service Boards (PSBs) The Wellbeing of Future Generations Act (WBFGA) 2015 gives a legally binding common purpose to improve the economic, social, environmental and cultural wellbeing of their area by contributing to the achievement of the seven national wellbeing goals. The WBFGA puts a wellbeing duty on specified public bodies including local authorities, local health boards, fire and rescue services and Natural Resources Wales to act jointly via PSBs. PSBs are required to assess the state of economic, social, environmental and cultural wellbeing in their areas (the Wellbeing Assessment), to use that to set local wellbeing objectives (the Wellbeing Plan) and to act together to meet those objectives.

In 2023, the previous two PSBs in operation in the CTM area joined to form one PSB, to reduce duplication and enable more effective joint working to improve wellbeing for people in the CTM region. Updates on the work of the CTM PSB are provided via CTMUHB's Population Health & Partnerships Committee and a copy of the PSB annual report to the meeting held in August 2024 is available here: [Annual Report - Cwm Taf Morgannwg](#).

In 2023, the PSB published the CTM Wellbeing Plan for 2023-2028, available here: [Cwm Taf Morgannwg Well-being Plan - Cwm Taf Morgannwg](#), in line with the requirement to produce this document every five years. The document sets out the local wellbeing objectives and the steps it proposes to meet these objectives. The PSB have used the Wellbeing Assessment as the evidence base for the Wellbeing Plan, the data and information gathered has been used alongside what local communities and people have advised about life in Merthyr Tydfil, Rhondda Cynon Taf and Bridgend through ongoing engagement with members of the public, and community groups. The Wellbeing assessment identified inequalities across the communities, and the draft plan sets out how the PSB will work together to reduce these inequalities to improve the wellbeing for people living in the region now and for building towards a fair future.

The Wellbeing Plan will drive every aspect of the Public Services Board's activity and has two main objectives:

- Objective one: Healthy local neighbourhoods

- Objective two: Sustainable and resilient local neighbourhoods.

Close collaboration with the CTM PSB has continued through 2024-2025 and we have contributed to several programmes of work. Key highlights have included;

- The PSB has signed off a Climate Change risk assessment for use within partner organisations with the March 2025 PSB meeting being dedicated to next steps for an adaptation plan.
- A workforce wellbeing sub board has enabled partnership working to connect staff with volunteering opportunities in green spaces.
- Individual partner organisations including CTM, are in the process of signing off their Active Travel Charter ready for PSB launch in June 2025.
- A whole systems approach to healthy weight has seen close collaboration with the PSB and partner organisations during 2024-2025 and proposals for a sub board bringing together work across CTM and the Healthy Weight programme are being prepared for discussion at the PSB in June.
- CTM and other key partners have worked with the PSB in their development of a data dashboard with Data Cymru. A final set of indicators has been agreed and Data Cymru have started to build the dashboard, the first draft of which will be shared with the PSB and the Data Task group in March 2025. This detailed dataset will help inform the PSB work streams and other work, including that of the health board across the CTM footprint.
- Also, of note, a new PSB chair was appointed in January 2025.

Work in the PSB will continue during 2025-2026 to finalise the PSB terms of reference and action plans for all sub boards established.

The first meeting for the PSB engagement subgroup has been set for April 2025. The project will link with the Bridgend College Young Leaders Programme and refresh the recruitment of young people for reverse mentoring.

### Regional Partnerships Boards (RPBs)

Part 9 of the Social Services and Wellbeing Act (2014) requires local authorities and health boards to establish RPBs to manage and develop services to secure strategic planning and partnership working and to ensure effective services, care and support are in place to best meet the needs of their respective population. A funding stream is in place by way of the Health and Social Care Regional Integrated Fund (RIF) which is providing five years of revenue funding to deliver a programme of change from April 2022 to March 2027.

The RPB's aim is to be a strong and meaningful cross-sector partnership that works with professionals and residents to improve services. Its vision is to make a difference to people's lives by involving them, listening and acting together to transform the way services are delivered. It is important that the CTMUHB plays an active role within the partnership arrangements as it is well acknowledged that health care services alone only contribute to between 10-20% to the health and wellbeing of the population. The RPB's work focuses on eight priority groups: people with learning disabilities; unpaid carers; people with dementia; people with accessibility needs; neurodivergent people; children and young people; older people and people who access mental health services.

Following the development of a Population Needs Assessment in 2021, a Regional Area Plan has been co-produced with professionals and people with lived experiences. The plan sets out the priorities for the RPB until 2027. The plan focuses on what is important to the communities it serves, and the areas that need immediate prioritisation and can be found [here](#).

## Digital & Data

CTMUHB's Digital & Data Strategy sets out that: "the Health Board will aim to become a digital exemplar within NHS Wales, as an innovator and early adopter of digital technologies and approaches, to enhance care quality, better engage with patients and deliver sustainable services".

To achieve this vision, CTMUHB must have the digital and data architecture, roadmap, skills and capability to deliver. To this end we need the digital infrastructure to support our ambitions to deliver a digitally enabled health and care system.

This Digital and Data Strategic themes underpin the four strategic goals for the Health Board, and teams from across the Digital and Data Directorate have been actively supporting the delivery of core services, as well as supporting and shaping a narrative for the delivery of future service ambitions.

As CTMUHB aligns its Digital and Data Strategic Plan with the wider Clinical Strategy for CTM 2030, work has begun on mapping the path to achieving an Integrated Health Record and developing the vision and case for change to transform the way in which patients are engaged with our services. At the heart of these programmes is how the Health Board will deliver a core platform and suite of digital tools to enable an integrated pathway of care, deliver Clinical Workflow and redefine the management of administration processes and workforce for all specialties. Simultaneously, streamlining the variation in processes and practices currently at play. This wholesale system development will form a cornerstone for digital maturity and inclusion across the Health Board.

During 2024-2025, work has continued the alignment of our health board systems with the team now focused on completing the technical elements and moving to a single Welsh Patient Administration System (WPAS) instance in May 2025. This work has demonstrated collaboration, not just across CTMUHB, but also aligning delivery with Swansea Bay University Health Board and Digital Health and Care Wales.

The year has also seen the launch of electronic Prescribing for secondary care, and the programme is now actively engaging across CTMUHB, working in partnership with our supplier Nervecentre, to implement a first go-live in the autumn of 2025.

The data and compliance functions have continued to support the National Data Repository programme and develop the CTMUHB's Clinical Data Repository, both of which are core components of our data interoperability strategy.

The introduction of technology to support Clinical Coding activities saw the team shortlisted for an NHS Wales award during 2024. This team has seen a transformation in its performance and have become an exemplar for other coding teams across NHS Wales.

Cyber Security continues to be a core element of the Digital and Data programme, with further development and additional capabilities to support our Cyber Security Assurance Plan.

In terms of operational delivery, a restructure of our service provision has taken place to better equip the team in readiness for the wider requirements of Digital and Data services from our clinical service teams as they drive their own transformation and service improvement programmes of work. This includes the introduction of a new leadership role for Cloud and Data Services to support our transition to Cloud and development of our wider Health Board infrastructure.

Towards the end of 2024, CTMUHB approved two key business cases that will form a core element of our delivery plans throughout this IMTP. Development of a digital solution for Mental Health services is long overdue and will enable the capture of key data sets to improve our services. Furthermore, CTMUHB will also implement a solution to support our Maternity Services in alignment with key priorities set by Welsh Government.

### *Information Governance*

Information Governance (IG) is managed through a framework which includes the IG Group (IGG) and a central IG Team. The IGG drives the IG agenda and provide CTMUHB with the assurance that effective information governance best practice mechanisms are in place, such as:

- A Caldicott Guardian whose role it is to safeguard patient information
- A Senior Information Risk Owner (SIRO) whose role it is to manage information risk from a corporate viewpoint; and
- A Data Protection Officer (DPO) whose role it is to ensure CTMUHB is compliant with data protection legislation.

The IG Team, led by the Head of IG, provides assurance on its activity and compliance with the relevant legislation which can be evidenced by:

- Quarterly reports to the IGG, including key performance indicators;
- A range of information governance and information security policies, procedures and guidance documents;
- IG training and bespoke learning in addition to Induction for new staff;
- Robust management of all reported breaches, including proactive reporting to the ICO;
- An Information Asset Register used to manage information across the organisation;
- Registers of data sharing agreements and of data protection impact assessments;
- IG Risk Register, received at all regular meetings of the IGG; and
- Annual SIRO report and Highlight Reports from the IGG to the appropriate Board Committee.
- Highlight reports submitted to the appropriate Board Committee i.e. Audit, Risk and Assurance Committee or Operational Delivery Committee depending on the matter to be considered.

CTMUHB has a professional cyber security team who support the IG team in the following functions:

- Managing cyber risk
- Protecting against cyber attack
- Detecting cyber security events
- Minimising the impact of cyber security incidents

In terms of the Freedom of Information (FOI) Act, 607 requests were received in 2024-2025.

### Commitment to Continuous Improvement

CTMUHB is dedicated to enhancing data quality through a focused data and digital programme that includes:

- Enhancing Digital Technologies – Streamlining and improving the usability of our digital systems to facilitate more accurate and efficient data capture.
- Democratising Data Access – Increasing access to complete and accurate records for clinical teams and decision-makers, ensuring they derive maximum value from the data.
- Improving Knowledge and Skills – Providing training, direct feedback, and auditing processes (both prospective and retrospective) to reinforce best practices in data management.
- Leveraging Advanced Analytics – Utilising Artificial Intelligence, Natural Language Processing, and other analytical techniques to improve data completeness, accuracy, and availability.

Through these efforts, CTMUHB are committed to fostering a data-driven culture that enhances patient care, operational efficiency, and compliance with national healthcare standards.

### Quality of Data

CTMUHB is committed to ensuring the quality, accuracy, and robustness of its data, recognising its critical role in effective healthcare delivery and compliance with national standards. As part of our major transformation programme within the Myrrdin PAS aggregation initiative, we are standardising data dictionaries across the UHB, ensuring consistency and alignment with Welsh information and technical standards for clinical records.

To drive this transformation, we have developed a comprehensive Data Strategy that underpins our compliance with Welsh information and technical standards. This strategy is fundamental to ensuring the accuracy, accessibility, and interoperability of patient data across our systems.

### Key Developments and Achievements:

- **Real-time Data for Incident Management** – Demonstrated the value of accurate, real-time data in managing critical situations, such as the partial closure of the Princess of Wales Hospital. This highlights the impact of high-quality data in operational and emergency decision-making.

- **Fast Healthcare Interoperability Resources (FHIR)-Based Compliance**
  - Successfully deployed FHIR forms validated at source by a FHIR server, ensuring adherence to the Welsh Data Dictionary and enhancing data integrity at the point of entry.
- **Data Quality Assurance Framework** – Developed to ensure all staff, regardless of role, understand:
  - The requirements for delivering high-quality data;
  - The significance of maintaining data integrity;
  - The consequences of poor data quality; and
  - Their individual responsibilities in contributing to high-quality data.

CTMUHB recognises that achieving consistent adoption of data quality policies across the organisation has been challenging due to various factors, including:

- The diverse range of environments and services in which records are kept;
- The availability and usability of supporting digital technologies; and
- User training, behaviours, and perceptions of the value of maintaining complete and accurate records.

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### Sustainability Report

#### Climate Action

Welsh Government declared a Climate Emergency in 2019 and set the ambition for the public sector to be net zero by 2030. The NHS as the largest public sector body in Wales is uniquely placed to mitigate the impact of climate change for the people of Wales.

Under the NHS Wales Strategic Delivery Plan (SDP) two targets have been set. These require NHS organisations to reduce emissions by 16% by 2025 and 34%

by 2030. These targets are underpinned by several initiatives and actions to progress delivery.

We know that reducing emission alone will not be enough. We are already seeing the challenges climate change is having on our communities, and we will have to adapt to ensure these instances have the lowest possible impact. Welsh Government has published their climate adaptation strategy - [Climate Adaptation Strategy for Wales](#), setting out the role Health and Social Care sector has in the national response.

CTMUHB requires that all staff at all levels of the organisation be aware of, and fully supportive, of their responsibilities to sustainability. As part of the CTM2030 Clinical Strategy development CTMUHB has identified 'Sustaining our Future' as one of the four strategic goals. This goal encompasses the sustainable development principles of the Wellbeing of Future Generations Act (2015) and demonstrates CTMUHB's commitment to:

- Becoming a green organisation;
- Ensuring our services financial sustainability;
- Embedding Value-Based healthcare; and
- Ensuring our estate is fit for the future

## Reporting

CTMUHB reports on the delivery against both our local Decarbonisation Action Plan (DAP) and the actions set under the NHS Wales SDP.

To ensure consistency of approach, there are three external reports required by CTMUHB.

- The Decarbonisation Reporting Co-ordination team, in NHS Wales Shared Services Partnership (NWSSP), requests updates twice a year on the delivery of actions in the SDP, where the organisation is responsible.
- Qualitative reporting is provided directly to Welsh Government, twice a year, against the delivery of actions contained in the SDP.
- Annual emission reporting is provided to Welsh Government each September for emissions generated the previous year.
- We also ensure that we are compliant with all other reporting and audit requirements.

## Governance

CTMUHB has an internal governance structure which consists of an Environmental Sustainability Board (ESB) and several subgroups. The ESB reports to the Strategic Development Committee (SDC) which in turn reports to CTMUHB Board.

Two subgroups have been delivered during this period and have looked at solutions around switching to electric vehicles and our response to climate adaptation. Decarbonisation also forms part of the Environmental Management System Group (EMSG) which monitors environmental performance, objectives and targets.

Quarterly updates are provided to the committee with key reports and decisions shared with the CTMUHB Public Board.

CTMUHB is represented on key Welsh Government decarbonisation groups which look at delivery of actions. These meetings include the Community of Experts, Approach to Healthcare, Buildings, Transport and a Programme Board.

### Internal Action

CTMUHB is actively delivering on its contribution to a globally responsible Wales. The CTMUHB Environmental Sustainability Board (ESB) plays a key role in advising, guiding and monitoring the development and implementation of this agenda. Some of the actions which have been completed this year are:

- The Decarbonation Action Plan (DAP) and strategy have been refreshed for 2024-2026 as per Welsh Government guidelines:

[https://ctmuhb.nhs.wales/about-us/ctm2030-community-hub/supporting-our-goals/sustaining-our-future/ctmuhb-decarbonisation-strategy-v3/;](https://ctmuhb.nhs.wales/about-us/ctm2030-community-hub/supporting-our-goals/sustaining-our-future/ctmuhb-decarbonisation-strategy-v3/)

- A wide range of programmes and projects delivering decarbonisation and environmental sustainability benefits;
- Annual carbon emission reporting to Welsh Government which serve to monitor CTMUHB's progress towards its strategic goal of 'Sustaining Our Future' and reducing emissions to support Welsh Government's NHS Decarbonisation plan.
- A climate awareness session was held with the Executive leaders in CTMUHB to highlight the key challenges and risks for the organisation.
- Within the last year a Sustainability Manager has been appointed to co-ordinate and report against the organisation requirements on both decarbonisation and climate adaptation.
- The CTM Green team has continued to grow in membership and departmental green groups have played a key role in delivering local actions.

As referenced above, CTMUHB has a Decarbonisation Action Plan which sets out carbon reduction delivery plans, with key areas of focus around facilities, digital, estates, capital, and corporate activities. These have been derived from risk assessments in accordance with emergency preparedness and civil contingency requirements under the Climate Change Act.

### Emissions Profile

Emissions are reported to Welsh Government in September each year, to ensure there is enough time to gather data, understand discrepancies and trends. As this is the case, we have reported the most current emissions profile which cover the Financial Year 2023-2024.

Figure 44

Emission category	2022/23	2023/24	Annual change
	<i>tCO2e consumed</i>		
Buildings	25,906	23,810	-2,096
Supply chain	105,927	108,915	2,988
Medical/ F-Gases	0	1,263	1,263
Waste	1,360	1,126	-234
<i>Fleet and equipment &amp; other assets</i>	1,450	407	-1,043
<i>Business travel and commuting &amp; homeworking</i>	8,031	8,397	366
<b>Grand total</b>	142,674	143,918	1,244
Renewables	198	1,264	1,066
Land use	Negligible	Negligible	0

Emissions have continued to rise since the baseline year (2018). This is due to a number of factors which include revisions of organisations region coverage, demands of services and increases in spend.

The baseline data for CTMUHB is calculated at 87,467 tCO2e in 2018/19. However, based on Welsh Government data, if the baseline were to be revised to reflect our current estate and capacity it would be 126,094 tCO2e for the same period.

In recent years we have seen emission within our control (Buildings, Fleet and Waste) reduce demonstrating the concerted effort which has been put in place across the organisation.

## Energy

The Capital & Estates Team within CTMUHB is committed to tackling emissions from our heat and power and a continual drive to reduce the carbon footprint of our buildings. Set against the challenges of a growing estate and demand for services, this challenge can only be achieved through a major step-change in the way we manage and use energy and develop efficiencies with our buildings.

In 2024-2025 carbon emissions from energy (heat and power) were 23,628 tonnes CO2e, which, is an increase on 2023-24. This is due to a number of factors which include a rise in service demands upon the organisation, the growth of the estate with new buildings and facilities, seasonal variations in weather (e.g. potentially increasing seasonal demand for heating or cooling and reducing the

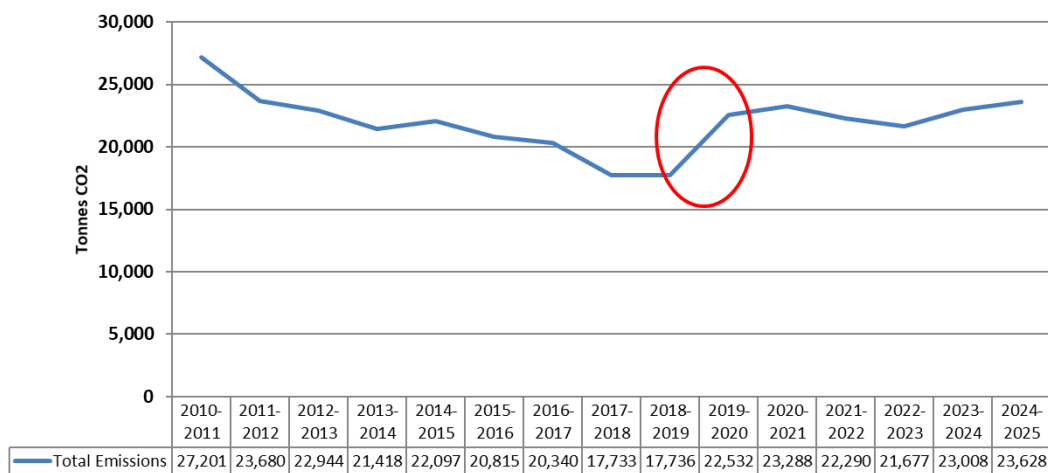
forecast output from our solar installations) and reduced performance from biomass and CHP units (Combined Heat and Power).

In terms of our energy costs, in 2024-2025 this stood at £16.2 million, which, whilst lower than the historic highs of 2022, are still over double the pre-pandemic era costs. With such cost pressures it is vital that the drive continues to reduce energy usage.

Prior to the introduction of the National Decarbonisation Strategic Delivery Plan, our progress was measured against a 3% year-on-year reduction target and, although superseded by the national strategy aims, this simple chart still provides a useful illustration of the long-term direction of travel for energy and carbon reduction to reduce building energy by 34% by 2030.

Figure 45

CTMUHB ANNUAL UTILITIES CO2 EMISSIONS v ANNUAL 3% REDUCTION TARGET



(Note – the step increase in 2019 represents the addition of Bridgend area estate into the previous Cwm Taf estate)

### ISO 14001 Certification – Environmental Management

ISO 14001:2015 is the international environmental standard that specifies requirements for controlling aspects of an organisation that have a significant impact on the environment, through an effective Environmental Management System (EMS). It is a requirement of Welsh Government that Health Boards in Wales are accredited to ISO 14001:2015.

The accreditation is on a three-year cycle with surveillance audits every year for CTMUHB to ensure compliance. Following the successful re-certification audit in June 2023, CTMUHB Facilities and Estates team completed the 2024 surveillance audit with no non-conformities to the ISO14001:15 requirements and standards retaining certification. The final surveillance audit in this three-year cycle will take place in June 2025.

## RE:FIT

The key plan within CTMUHB Capital and Estates is to create improvements with our estates and to deliver the transformational level of change required. Re:Fit is a Welsh Government backed energy performance contracting framework that supports public sector bodies wishing to implement energy efficiency and decarbonisation measures across the estate through a long-term partnership (typically 10 year) based on a guaranteed savings arrangement.

CTMUHB is currently working with our selected partner organisation to develop proposals for decarbonisation schemes to take forward for funding and development in 2025-2026. The types of initiatives expected to form part of the first phase of Re:Fit include solar photovoltaic (Solar PV) generation installations, the rapid roll-out of LED lighting, low carbon heating systems and development of Building Energy Management Systems.

## Travel and Transport

Our vision for CTMUHB is the delivery of high quality, robust and sustainable Transport Fleet services. This is with the overall aim of transitioning to a low or zero carbon fleet, which will enable our Net Zero target and help support the well-being of current and future generations.

We have been doing this through:

- Reducing Transport fleet where practically possible to do so.
- Supporting delivery of the NHS Wales and CTMUHB Decarbonisation Strategic Delivery Plan (DSDP) reduce emissions by 16% by 2025 and 34% by 2030. Transfer current petrol and diesel Fleet to EV's by 2027.
- Working closely with the NWSSP All Wales Transport and group and in support of CTM Estates on Initiative 17 to develop the best practice approach for electric vehicle (EV) charging technology, procurement, and car park space planning – this will include consideration of NHS Wales own service fleet, staff vehicles, and visitor EV charging infrastructure (EVCI)
- Deliver on the NHS Wales DSDP Transport Fleet Initiatives 18,19,20 & 21.
- Identify best option for Fleet Management telematics software.

CTMUHB has Sustainable Transport and Travel Plans which are strategic and long term. There is considerable refurbishment and new capital build work being undertaken at Prince Charles Hospital and travel surveys have been undertaken so that current travel plans can be updated to account for these works.

As an organisation we want to ensure that staff are supported and have available to them the means of adhering to the organisation's transport and travel policy and principles, the following schemes have been established:

- Pool Cars;
- Hire Cars;
- Cycle to Work Schemes;
- Public Transport Options Discounted Concessions;
- Lease Cars NHS Salary Sacrifice;

- Car Sharing Scheme.

Cycling support facilities such as secure parking, general parking and changing vary from site to site and are considered as part of any site development or refurbishment. Cycle parking locations are strategically placed at main and side entrances to ensure easy access for our staff and patient population, as well as site visitors. Where possible covered cycle parking stands have been installed to provide secure anchorage points for cycles.

### Electric Fleet Vehicles

The current fleet vehicle contract was reviewed in 2022-2023 and focused on the main objective to change and transfer the fleet to include electric vehicles.

There are currently only a small number of Electric Vehicle (EV) charging points at CTMUHB sites, this limits our ability to be able to transfer existing diesel and petrol contract fleet to EV specification. Concerns around the travel range of electric vehicles has largely abated following the on-going improvements by manufacturers to this aspect of vehicle performance. We have evaluated fleet EV specification range and coverage for all our sites is now seen as achievable with the updated and extended mileage range and a small number of EV's have now been leased.

We are currently in the process of aligning our fleet upgrades with the charging infrastructure network installation requirements.

### Travel Mileage

#### *Business and Staff Lease Vehicles*

The fuel usage related to staff business (grey fleet) and staff lease car mileage cannot be determined, therefore the fuel consumed basis used for determining Scope 1 emissions.

A breakdown across expense items has been provided below for the period 1st April 2024 to 31st March 2025.

There has been an increase in miles claimed for this year. In comparison to FY 2023-2024, CO<sub>2</sub>e emissions have increased by 2.9 % from 1,383 tCO<sub>2</sub>e to 1,424 tCO<sub>2</sub>e. The emissions relating to staff mileage and lease car user claims continue to be the largest element of the UHB transport emissions.

Figure 46

2023-2024	Business Mileage	3,713,906	1,803,637.38	1,256
	Lease Mileage <span style="float: right;">Car</span>	143,479	21,430.44	48
	Salary sacrifice	234,108	113,297.40	79
	Total	4,091,493	1,938,365.22	1,383
2024-25	Business Mileage	3,783,391	1,722,388.20	1,280
	Lease Mileage <span style="float: right;">Car</span>	116,064	24,943.14	39
	Salary sacrifice	312,817	141,540.40	105
	Total	4,212,272	1,888,871.74	1,424

## Waste Management

Our vision is the delivery of high quality, robust and sustainable Waste services to enable our contribution towards net zero carbon emissions by 2030 and 2050. Reduce associated manufacture damages to nature, biodiversity and the environment globally.

Some key areas of work have been undertaken to:

- Deliver the Welsh Government Waste Recycling Reforms.
- Meet the April 2024 delivery target for Community and Primary Care healthcare sites.
- Meet the April 2025 delivery target for Acute and Community hospital sites.
- Support the Welsh Government and CTMUHB Strategic Decarbonisation Action Plan (DAP).
- Work closely with procurement and suppliers to reduce the impact on the environment of packaging and product waste.
- Improve supply chain resilience by using recycled material in manufacture and reducing dependence on raw materials.
- Use innovation and promote Recycle, Repurpose and Reuse.
- We have continued to progress the waste management objectives and targets in the Decarbonisation Action Plan (DAP).

CTMUHB has a waste target action plan in place that will ensure that the segregation of offensive hygiene waste continues to be adhered to at the acute site Princess of Wales in 2024-2025. A full waste yard upgrade which will support space to house a RORO compactor for tiger bags and support an increase in tonnage recycling figures and a reduction in incineration costs.

## Waste Data

Figure 47

Financial Year <i>* Indicates estimated figures</i>	Clinical Waste		Offensive Hygiene Waste	
	Tonnes	Cost (£million)	Tonnes	Cost (£million)
2019 - 2020	1060	£0.4152	230	£0.07147
2020 - 2021	958	£0.3586	194	£0.05180
2021 - 2022	992	£0.3829	143	£0.02714
2022 - 2023	1172	£0.5267	371	£0.10750
2023 - 2024*	1190*	£0.6306*	420*	£0.13765*

Figure 48

<i>* Indicates estimated figures</i>		2019-2020	2020 - 2021	2021 - 2022	2022-2023	2023-2024*
<b>Non-Financial Indicators (Tonnes)</b>	Total Waste	3985	3254	3120	4274	4035*
	Landfill	71	63	65	58	62*
	Reused/Recycled	1274	832	1077	1608	1320*
	Composted	0	0	0	0	0
	Incinerated with energy recovery	2640	2359	2382	2718	2484*
	Incinerated without energy recovery	0	0	0	0	0
<b>Financial Indicators (£million)</b>	Total Cost (See note below)	£1.161,127	£0.974,456	£0.678,666	£1.403,091	£1.524,272*
	Landfill	£0.017,651	£0.016,405	£0.004,510	£0.017,347	£0.018,151
	Reused/Recycled	£0.287,836	£0.214,744	£0.164,996	£0.329,589	£0.326,057
	Composted	0	0	0	0	0
	Incinerated with energy recovery	£0.822,078	£0.722,162	£0.495,764	£0.711,117	£0.670,914
	Incinerated without energy recovery	0	0	0	0	0

### Green 2030

Sustaining our Future is one of our four strategic goals. It encompasses the sustainable development principles of the Wellbeing of Future Generations Act (2015), and our commitment to:

- Becoming a green organisation
- Ensuring our services financial sustainability
- Embedding value-based healthcare
- Ensuring our estate is fit for the future

CTMUHB continues to develop its “Green Movement” and use the CTM Green Group as a means of engaging, communicating and inspiring its workforce to learn about and tackle climate change. CTMUHB plan on building on the success of our Green Scholar programme to encourage more people to act upon green initiatives.

## Biodiversity

Biodiversity is defined in the *Environment (Wales) Act 2016* as ‘the diversity of living organisms, whether at the genetic, species or ecosystem level. Biodiversity drives the functioning and resilience of our ecosystems’.

A healthy natural environment helps society and the economy flourish. Our natural resources and ecosystems can help us in many ways: to reduce flooding, improve air quality and supply materials for construction. They also provide a home for a variety of wildlife and give us landscapes we value within the localities of the Health Board sites, encouraging patients to be treated, staff to work and visitors to visit healthily and comfortably.

The CTMUHB Biodiversity and Ecosystem Resilience Plan’ meets our obligations in accordance with the *Environment (Wales) Act 2016*, to demonstrate how the we will ‘*seek to maintain and enhance biodiversity in the proper exercise of their functions and in doing so promote the resilience of ecosystems*’.

This plan details the mechanisms by which the aims will be delivered by the Health Board to halt the decline of biodiversity, reduce the effects of climate change and promote sustainable development whilst also helping to deliver the Health Board’s commitments under the Well-being of Future Generations (Wales) Act 2015 (WBFGA).

The plan also contributes to all of the goals set out in the WBFGA and compliance with the plan can be used to demonstrate how the Health Board is fulfilling the ‘A Resilient Wales’ goal. Furthermore, this plan supports the *CTMUHB 3 Year Plan* and the *CTMUHB Well-Being Statement* in the delivery of their respective objectives. The actions will set out what the Health Board intends to do and corresponds with the targets in its Strategic Decarbonisation Action Plan, which reference biodiversity and ecosystem resilience.

CTMUHB requires that all staff and in particular all managers at all levels of the organisation to be aware of, and fully supportive, of our responsibilities to biodiversity and ecosystem resilience.

## Decarbonisation Activity during 2024-2025

Over the past year there has been an abundance of activity which aims to support the decarbonisation agenda and improve the carbon efficiency of the organisation. Some of the notable achievements are below: -

### *Buildings*

In terms of specific projects and activity delivered within the CTM Estates and Capital Teams, much has been achieved in recent years, and the team continues to work hard to build on these schemes. Including:

- Onsite generation – CTMUHB employs a variety of onsite energy generation technologies e.g. Solar PV, gas turbine CHPs, Absorption Chillers, Biomass boilers
- In the last few years there have been new Solar PV installations across the estate, including at Dewi Sant, Ysbyty Cwm Cynon, Ysbyty Cwm Rhondda & Keir Hardie Health Park. This increased the installed solar PV capacity by almost 700 kilowatts (kW), these are all now fully operational.
- In 2024-2025, these schemes delivered 537,000 kilowatt hours (the equivalent to the annual electricity consumption of 200 typical 3-bedroom homes) of zero carbon electricity, saving 121 tonnes of CO<sub>2</sub> over the year.
- Further PV installations were completed in 2024/25 at Glanrhyd Hospital and Williamstown Medical Records Store totalling an additional 625 kilowatts. These are forecast to deliver an additional 110 tonnes of CO<sub>2</sub> savings annually.
- Under development currently, and scheduled to complete in 2025 are additional onsite PV schemes at Gwaun Elai (130kW), Princess of Wales Hospital (220kW) as well as the major solar farms at Royal Glamorgan (1 Megawatt, MW) and Prince Charles (1.2MW) in conjunction with the local authorities (these are expanded on below)
- LED Lighting upgrades (internal & external) continue with the UHB now having converted approximately 40% of the estate
- Air Source Heat Pumps (a low carbon heating technology) are currently in use at Keir Hardie Health Park with further systems planned for the new Sunnyside Wellbeing Centre and at the Williamstown Medical Records unit.
- Insulation & other building fabric improvements (including window replacement) undertaken where funding was available, for example at Princess of Wales Hospital
- Monitoring & targeting – the health board is pro-active in utilising Building Energy Management Systems such as Team Sigma, and Automatic Meter Reading

CTM has also bid for funding through the Welsh Government's Targeted Estates Fund (TEF) which is a 2-year grant fund scheme to support NHS Wales. The Health Board is hoping to secure potentially £3.7 million of funding for decarbonisation schemes to deliver further CO<sub>2</sub> savings and which focus on:

- Low carbon heating systems (heat pumps and biomass)
- Solar PV installations

- Building Energy Management Systems
- Solar Battery Storage Systems
- Boiler replacement (laundry)

These are all positive developments; however, we know that there is more to do to deliver the transformative change required to reduce carbon emissions in line with national net zero ambitions.

### *Transport*

- Transport and travel information notice boards are provided and are regularly updated at the hospital main entrance areas and will provide the public and staff with public service, volunteer and CTMUHB transport information.
- As part of the major hospital refurbishment program being undertaken at Prince Charles Hospital a travel and car park survey was undertaken by Capital and Estates and work to inform the development is now underway to improve the parking facilities.
- As an alternative solution and option for travel to the workplace and between workplaces, we promote the use of 'Lift Share' to our staff.
- CTMUHB actively encourages the use of public transport and Travel Plans to identify bus stops and rail stations close to our sites. Local bus stops are provided on our hospital sites:
- We have secured concessionary rates with local bus operators in the vicinity of Royal Glamorgan Hospital, to encourage bus use and to promote discount travel schemes for which NHS staff are eligible.
- A salary sacrifice lease car scheme continues to be in operation for staff.

### *Waste*

- Waste Roadshows - As part of our preparation for the Wales Recycling regulatory changes in single source segregation of single use cans, plastics, paper, card, glass and food. We have delivered site waste awareness and guidance roadshows to promote recycling, patient home collection services, waste segregation and waste projects to receive feedback from site wards/ departments, patients and visitors who wish to make an impact and support the journey to Net Zero.
- CTMUHB have been successful in securing Small Business Research Initiative (SBRI) funding for three other sustainable projects:
- Gwalia & CTMUHB using repurposed polypropylene (PP) packaging from operating theatres.
- CTM UHB, Elite Paper Solutions & Pulse Plastics – Adult and Infant feeding bottles.
- Natural UK & CTMUHB – Clinical Waste alternative treatment and sorting.

These projects have provided a variety of benefits both to the organisation and wider community. This has included extracting plastics which would be discarded and creating a valuable product out of them. It has also created jobs and opportunities in the local community and retain benefits to the foundational economy.

Testament to delivery of this activity, in November 2024, CTMUHB were the only health board shortlisted for the MRW National Recycling Awards for the Feedcycle project.

### *Innovation*

The innovation team has played a key role in supporting measures to improve understanding and implement actions to reduce emissions. Several projects have gained external funding to explore and create solutions for reducing waste.

The innovation team has collaboratively secured c£350k in competitive funding for CTMUHB and partner organisations to develop solutions to reduce spend on valuable plastic waste and find alternative waste of treating clinical waste.

### *Partnering*

CTMUHB actively participates in work programmes to collaborate and support others on challenges we face at a regional level around climate mitigation and adaptation.

CTMUHB has worked with the Public Services Board to develop the first stage of the adaptation planning in identifying the key adaptation risks. This will ensure that there is holistic approach to the delivery of climate adaptation measures across the region.

Some key actions which have been delivered on the energy agenda are: -

- CTMUHB is in partnership with Rhondda Cynon Taff County Borough Council on the Coed Ely solar farm development. The solar farm is currently under construction with a 1MW (Megawatt) area dedicated to supply the Royal Glamorgan Hospital. Work is ongoing to connect the hospital to the solar farm and the scheme has an expected completion date of Autumn 2025. This supply has been sized to match the hospital's electricity demand during peak summer (when solar generation is at its maximum), therefore ensuring greatest efficiency. Overall, the solar farm will supply approximately 15% of the typical current annual electricity demand of the Royal Glamorgan Hospital and reduce CO2 emissions by approximately 220 tonnes per annum.
- CTMUHB have worked with Merthyr Tydfil County Borough Council on PV scheme based at Pen Y Dre High School redevelopment near to Prince Charles Hospital, to include a private wire supply and an agreement to supply the hospital with all surplus electricity (i.e. not required by the school). It is anticipated that this mutually beneficial scheme could total 1.2MW of installed capacity and the UHB is currently finalising the agreement with Merthyr Tydfil Council to supply.

### *Task Force on Climate-related Financial Disclosures (TCFD)*

Within this report we have disclosed, as recommended by Welsh Government, information relating to the Phase 1 which includes Governance, Metrics and Targets recommended disclosure (b).

## Governance

- The Executive Director of Strategy and Transformation is the Senior Responsible Officer (SRO) for Decarbonisation. All Board and Committee reports include an assessment of Sustainability impacts, any management project or initiative must take these into account.
- The organisation has recruited a Sustainability manager in year to deliver the sustainability programme.
- CTMUHB Board receives an annual update on the delivery of our Decarbonisation Strategy and associated Decarbonisation Action Plan which includes climate related risks and opportunities. Escalation of any high-level risks is completed as appropriate.
- A Board development session was held in year to promote activity and raise awareness of the challenge's climate change will pose to the organisation.
- The Strategic delivery committee, (previously Population Health and Partnerships Committee) as a Committee of the Board receive more regular updates and is required to approve reports before submitted. Senior managers within the governance structure support the monitoring of climate related risks.
- The Governance Structure flows from the 'Environmental Sustainability Board' to 'Executive Leadership Group' and then up to the 'Strategic Development Committee' and then to the Health Board meetings as appropriate.
- Climate adaptation has its own subgroup within the governance structure which is reflecting the working contained in the climate adaptation toolkit and strategy set out by Welsh Government.
- Climate related policy has been incorporated into the IMTP for the organisation.
- A section on Sustainability and Environmental impacts is required to be completed for all Board papers.
- CTMUHB has worked closely with the Partnership Services Board (PSB) to undertake a Climate Change Risk Assessment for the region.

## Metrics and Targets

- The organisation meets the requirements set out within the Welsh Government reporting processes for emission reporting. This is completed in September each year.
- The annual carbon emissions report sets out the appropriate Scope 1, Scope 2 and Scope 3 emissions and the last return was submitted to Welsh Government in September 2024. The totals were as follows:

Figure 49

Scope 1	Scope 2	Scope 3	Total
14,605,129	6,393,213	122,920,344	143,918,686

- Annual emissions had a small annual increase from 142,679 tCO<sub>2</sub>e (2022-2023) to 143,918 tCO<sub>2</sub>e (2023-2024). This was due to an increase in emissions from supply chain and reporting medical gases for the first time.

- We would like to reflect that NWSSP central procurement team have established more robust and reflective data for supply chain, transitioning to a tier 2 methodology, where possible.
- CTMUHB strive to achieve the targets set out in the NHS Wales strategic delivery plan. We are aware that the initial baseline assessment of emissions isn't reflective of current estates, due to boundary changes.

#### *HM Treasury Sustainability reporting*

In accordance with the HM Treasury sustainability reporting, CTMUHB are working to ensure all aspect of the guidance is incorporated into organisation structures.

## Welsh Language Regulations - The Welsh Language Standards (No. 7) Regulations 2018

CTMUHB complied with the requirement to publish an approved Welsh language Annual Report in 2024 – 2025.

Increasing our capacity and capability to provide more of our services in Welsh is a CTMUHB objective, linked to our Inspiring People strategic goal. We have made further progress in improving and consolidating our bilingual provision in year, continuing to view this agenda through the lens of cultural and behavioural change. The following are some of our key Welsh language achievements in 2024-2025: -

- CTMUHB has successfully improved its overall compliance score across Welsh Language Standards in its compliance notice. We are now reporting 'High Assurance' with 68% of Welsh Language Standards, up from 60% last reporting year, 'No Assurance/Low Assurance' with 15%, a decrease of 8%, and 17% with 'Medium Assurance'. CTMUHB is not reporting a decrease in compliance with any Standard;
- The Welsh Language Development Service, in co-operation with Learn Welsh Glamorgan, has supported over 200 members of staff to begin or continue with their journey to speaking Cymraeg. The Kirkpatrick Model of workforce training evaluation shows an increase in the use of Welsh where previously English would have been used, as well as the all-important datapoint that staff have had a positive, enriching experience of the Welsh language at work;
- CTMUHB took its first steps towards operational and strategic workforce planning for bilingual skills. Guidance has been created, for the first time, on how to assess whether candidates need skills in Welsh for their role. Trac, the recruitment system used, now supports the recording and auditing of this assessment and vacancy approval is not given until compliance requirements have been met. A [gaps analysis](#) has been created to identify where we cannot offer clinical provision in Welsh, and this will be used to ensure those areas are working to close those gaps via their strategic workforce plans;
- A guide has been created and added as a default document to all vacant posts, which explains what the levels of Welsh mean, and importantly, what skills we do not need, so that candidates feel confident in the Welsh they have and apply for our posts;
- CTMUHB continued to embed Welsh into our internal communications using a framework inspired by the COM-B Model of behaviour change. Over 35 strategically focussed messages have been shared throughout our internal communication methods during the year. This has improved engagement with the Welsh language agenda, and allowed us to frame Welsh language in a way that fronts the patient experience and a sense of belonging to Welsh beyond our legal duties;
- As part of the national awareness campaign about rights to use Welsh, CTMUHB ran an external campaign focussing on our successes to date in embedding Welsh and how patients can use their Welsh. This included sharing the [digital leaflet](#) we produced on rights to use Welsh with the Health Board. The Facebook content alone had over 10,000 views;

- A full linguistic [profile](#) of staff language data for CTMUHB was produced based on data as of September 2024. This was based on data for 91% of all staff. This has allowed CTMUHB to identify where it is highly likely or likely to be able to offer services in Welsh, and where it cannot currently do so. This then formed the planning assumptions for our 5-year plan; and
- As part of Standard 110 and More Than Just Words Action 18, a [5-year Strategic Plan](#) was created and approved, setting out how CTMUHB will work to offer clinical consultations in Welsh and close gaps where it cannot currently do so. This was based on working with expert staff, a project-based approach and with a clear focus on operational delivery with a set of KPIs for each outcome.

More detailed information on how we have worked in year to comply with the Welsh Language Standards can be found in our Welsh Language Standards Performance Reports, available [here](#).

## Conclusion and Forward Look

I hope you found that this performance section provided a wide-ranging summary of activity across a range of our programmes of work for 2024-2025.

Despite what continues to be a very challenging period, CTMUHB is extremely proud of what its staff have achieved in terms of improvements in waiting times and performance across specialties, which has been the result of commitment to our patients and a great deal of focused effort against a challenging backdrop.

Of course, there is further work to do, and we will be focussing our efforts to improve key areas including cancer services and planned care waits.

There are several performance meetings established where scrutiny is undertaken, and direction given on the actions required and proposed to see real improvements.

### Looking Forward

Notwithstanding the challenges presented during 2024-2025 the critical incident at Princess of Wales Hospital, CTMUHB has continued to focus on improvement, and this continues into the next three-year plan.

We are ensuring adequate capacity and reconfiguration is in place to achieve and then sustain a zero 104-week waiting cohort through the elective recovery programme. Orthopaedics will require a significant undertaking to recover from the three-month loss of capacity, but plans are in place to commence and continue delivering this throughout 2025-2026.

Many cancer services made significant improvements and CTMUHB continue to work toward achieving an 80% Single Cancer Pathway compliance across all areas.

Planned Care recovery allocations will reset for 2025-2026 allowing additional activity to commence. Services are supported on single cancer pathway performance at weekly focused sessions, and these will continue throughout 2025-2026, with services working through their demand and capacity trajectories, identifying gaps and putting mitigation plans in place. Our Cancer Board continues to provide oversight and challenge for the delivery of our cancer services plans.

Our Six Goals programme plan sets out the actions and measures for deliver across the system and includes the key requirements set out in the enabling actions included in the NHS Wales Planning Framework for 2025-2026. A summary is available alongside our IMTP for 2025-2028.

In Primary and Community Services we will continue to maintain the excellent levels of access delivered to our population on 2024-2025 and our Primary and Community Services transformation programme will continue to progress improvements in services and outcomes, as set out in our IMTP.

## Risks and Mitigation

In common with other NHS organisations there are risks that will need to be managed to achieve our aim of maintaining and improving both activity and quality and of course mitigations will be in place.

The key strategic and high-level risks facing CTMUHB are captured in the Accountability Section on page 148 of this report as reported to the Board via the Board Assurance Framework Report.

**Paul Mears**

**Chief Executive**

**Date: 26 June 2025**

## Chapter 2 – Accountability Report

### Corporate Governance Report

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across CTMUHB during 2024-2025, it includes:

- **The Directors’ Report:** This provides details of the Board who have authority or responsibility for directing and controlling the major activities of CTMUHB during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.
- **The Statement of Accounting Officer’s Responsibilities and Statement of Directors’ Responsibilities:** This requires the Accountable Officer, Chair and Executive Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts is fair, balanced, and understandable.
- **The Governance Statement:** This is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within CTMUHB and brings together how the organisation manages governance, risk, and control

### Directors’ Report

#### *The Composition of the Board and Membership*

CTMUHB is made up of 11 Independent Members (including the Chair and Vice-Chair) who are appointed by the Cabinet Secretary for Health and Social Care, and 9 Executive Directors.

All Independent Members and Executive Director Members have full voting rights.

There are also three Board Level Directors (Director of Corporate Governance/Board Secretary, Director of Digital and Director Communications, Engagement and Fundraising) on the Executive Leadership Group who are invited to attend the Board as ‘in attendance’ members but have no voting rights.

In addition, there are three Associate Board Members who have been appointed by the Cabinet Secretary for Health and Social Care following a recommendation from CTMUHB in accordance with Standing Orders. Associate Members have no voting rights.

Before an individual may be appointed as a Member or Associate Member of the Board they must meet the relevant eligibility requirements, set out in Schedule 2 of The Local Health Boards (Constitution, Membership and Procedures) (Wales)

Regulation 2009, and continue to fulfil the relevant requirements throughout the time that they hold office. The Regulations can be accessed via the following [link](#).

Further details in relation to the composition of the Board can be found at page 171 onwards of the Governance Statement. This will include Board and Committee membership, including the Audit and Risk Assurance Committee, for 2024-2025, the meetings attended during the year and the champion roles fulfilled by Board Members.

## Statement of the Chief Executive’s responsibilities as Accountable Officer of CTMUHB

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer to the CTMUHB.

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.

As far as I am aware there is no relevant audit information of which the entity’s auditors are unaware, and I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that CTMUHB’s auditors are aware of that information.

I can confirm that the Annual Report and Accounts is fair, balanced and understandable and I take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

I am responsible for authorising the issue of the financial statements on the date that they were certified by the Auditor General for Wales.

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

### Signed:

Paul Mears Chief Executive		Date: 26 June 2025
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## 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 CTMUHB and of the income and expenditure of CTMUHB for that period.

In preparing those accounts, the directors are required to:

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

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

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

### By Order of the Board

#### Signed:

Jonathan Morgan Chair		Date: 26 June 2025
Paul Mears Chief Executive		Date: 26 June 2025
Sally May Executive Director of Finance		Date: 26 June 2025

## Governance Statement

### Scope of Responsibility

The Board is accountable for Governance, Risk Management and Internal Control.

The Chief Executive of the Board has 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 the Chief Executive is personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

This 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, 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.

The Executive Leadership Group assist the Chief Executive in discharging their accountabilities and meet weekly for formative discussion, support and decision-making. During 2024-2025, we have introduced new arrangements with effect from October 2024, under these new arrangements, the Executive Leadership and I meet monthly in the more formal guise of Executive Management Board. This new format allows us to have a more focussed discussions and is where we receive detailed updates on project progress, review and sign off business cases and consider future strategic plans.

Some members of the Executive also meet with the wider leadership management group via the monthly Operational Management Board meetings. It has strong links to all relevant governance forums inside and outside CTMUHB. The organisation's work is supported by the achievement of the policies, aims and objectives. These are delivered in the knowledge that there is a need to safeguard public funds and the organisation's assets for which Board Members are personally responsible.

### Escalation and Intervention Arrangements

Please refer page 16 of this Annual Report which outlines the current escalation status of CTMUHB and the changes during 2024-2025.

## Our Governance Framework

The Board is accountable for governance, risk management and internal control and focuses on strategy, performance and behaviour. Board Members have responsibility for the strategic direction and to provide leadership and direction to the organisation, ensuring sound governance arrangements are in place. The Board is also responsible for encouraging an open culture with a view to ensuring high standards.

Board members share corporate responsibility for all decisions and play a key role in monitoring the performance of the organisation and for making sure it is responsive to the needs of its communities. Independent Members will often have a designated area of interest or focus and may also be allocated to 'champion' a particular issue. Independent Members are supported by an annual development appraisal discussion with the Chair.

The Chair's performance is assessed by the Cabinet Secretary for Health and Social Care whilst the Chief Executive's performance is assessed by the Chair with input from the Director General Health and Social Services/Chief Executive NHS Wales, Welsh Government.

Monitoring quality and performance information occurs at all levels of the organisation to provide 'Community/Ward to Board' reporting. Performance, risk and incident reports are received regularly by the Operational Management Board providing oversight that CTMUHB is meeting both internal and external targets for quality and performance. The Board Assurance Framework, discussed later in this section, is also received at every routine meeting of the Public Board.

From 1 April 2024, the new Joint Commissioning Committee (JCC) was created which is hosted by CTMUHB. Upon its creation the Chief Commissioner of the JCC has been designated as an Accountable Officer with respect to the propriety and regularity of JCC Funds. An Interface Agreement between the Chief Executive of CTMUB as the Accountable Officer for CTMUHB and the Chief Commissioner as the Accountable Officer for the JCC has been put in place. This memorandum of understanding sets out the agreed position between the two Accountable Officers.

As the NHS officer responsible and accountable for the propriety and regularity of the funds entrusted to JCC, the Chief Commissioner of JCC is responsible for internal control and accountabilities within the JCC and the JCC Team and relates them to their overall accountability for funds drawn down by the Welsh Ministers for the National Health Service in Wales as passed through to the LHB by the Welsh Government. Therefore, a separate Accountability Report has been produced for the JCC which is available here: [Hosted Organisations - Cwm Taf Morgannwg University Health Board](#).

CTMUHB also hosts the National Imaging Academy Wales (NIAW) and a Compliance Statement has been completed to support the Chief Executive in signing the CTMUHB Governance Statement. This document is available upon request from the Director of Corporate Governance/Board Secretary or via CTMUHB's Audit & Risk Committee papers on our website for the month of July 2025, [available here](#).

CTMUHB continues to work closely with local authority partners and stakeholders, and the third sector. The organisation's 'University Health Board' status which continues to help the ongoing drive to provide high quality, responsive care and services for the communities in strengthened collaboration with our academic partners.

### *Model Standing Orders, Reservation and Delegation of Powers*

Model Standing Orders, Reservation and Delegation of Powers are issued by Welsh Ministers for the regulation of the CTMUHB's proceedings and business. These translate the statutory requirements set out in the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779 (W.67)) into day to day operating practice, and, together with the adoption of a Scheme of decisions reserved to the board; a Scheme of Delegations to officers and others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the health board and define its 'ways of working'.

The All-Wales Model Standing Orders, Reservation and Delegation of Power for Standing Orders and the Standing Financial Instructions are reviewed annually.

During 2024-2025, Welsh Government issued updated Model Standing Orders for NHS bodies in Wales, as outlined below:

*Issued February 2025* – The purpose of these amendments is to ensure consistency relating to:

- The eligibility requirements for the chair, vice-chair and non-officer members/non-executive directors of the Board.
- The provisions relating to the appointment of officer members to boards of Local Health Boards.
- The arrangements for appointing the Trade Union Member to a board of Local Health Boards.
- The timescales for the publication of board and committee agendas and papers.

These were approved at the 27 March 2025 meeting of the Board.

### *Variation to standing Orders*

The public are not currently invited to attend Board Committees in person or via virtual form. This equates to a breach of CTMUHB's Standing Orders. This has been risk assessed, taking into account that all decisions are made by the Board, and committee papers and minutes are made available on the CTMUHB website, available [here](#).

CTMUHB also recorded a breach of Standing Orders by failing to meet the 10-day publication of papers requirement by routinely only publishing 7 days in advance of Board meetings during 2024-2025. The position changed in March 2025, as the

amendment to the Model Standing Orders, mentioned above, reduced the number of days required for the publication of papers.

With regards to the Annual General Meeting (AGM) - Standing Orders states that CTMUHB 'must' hold an AGM in public no later than the 31 July each year.' Considering the revised timetable for Audit Wales (AW) to submit final Annual Reports and Accounts to Welsh Government for the reporting period 2024-2025, Welsh Government confirmed that AGMs will take place no later than 30 September 2025.

### CTMUHB Board

The Board provides leadership and direction to the organisation and is responsible for governance, scrutiny, and public accountability, ensuring that its work is open and transparent.

The Board functions as a corporate decision-making body. All Board Members share corporate responsibility for formulating strategy, ensuring accountability, monitoring performance, and shaping culture, together with ensuring that the Board operates as effectively as possible.

The Board is comprised of individuals from a range of backgrounds, discipline, and areas of expertise, and provides leadership and direction ensuring that sound governance arrangements are in place.

During 2024-2025, all Board meetings were held in public, a public notice of our Board meetings is publicised on our website and social media platforms and members of the public are given the opportunity to attend the meetings in person or join the meetings remotely via Microsoft Teams. A recording is uploaded to our website after each meeting.

During 2024-2025, the Board held:

- eight meetings in public (all were quorate)
- one Annual General Meeting
- thirteen Board Development / Briefing Sessions

Attendance is formally recorded within the minutes, detailing where apologies have been received and where deputies have been nominated.

The dates, agendas and minutes of all public meetings can be found on the CTMUHB [website](#):

CTMUHB Board has an Annual Cycle of Board Business and a Forward Work Programme, which is adapted during the year to respond to emerging events and circumstances. There is also a Shared Listening and Learning (Staff and Patients) centred focus by the Board and Board Committees, demonstrated by the presentation of stories at each meeting where appropriate.

Items considered by CTMUHB Board during 2023-2024, included:

Figure 50

Governance, Risk and Assurance	Environmental & Sustainability	Public Health & Population
<ul style="list-style-type: none"> <li>• New JCC Governance and Accountability Framework &amp; WHSSC Standing Orders and Standing Financial Instructions</li> <li>• Amendments / Variations to CTMUHB’s Standing Orders and Standing Financial Instructions</li> <li>• Internal Audit Annual Audit Plan 2024/2025</li> <li>• Chairs Report and Affixing of the Common Seal</li> <li>• Chief Executives Report</li> <li>• Board Assurance Framework</li> <li>• Annual Review of the Risk Management Framework</li> <li>• Board Committee Highlight Reports and Annual Reports</li> <li>• Annual Report and Accounts 2023-2024</li> <li>• Audit Wales and Healthcare Inspectorate Wales Joint Follow Up Review Quality Governance</li> <li>• Welsh Language Standards Annual Report 2023-2024</li> <li>• Audit Wales Structured Assessment 2024</li> <li>• Charitable Funds Annual Report and Accounts</li> <li>• Effective Management of Board Business</li> <li>• Strategic Equality Plan</li> <li>• Audit Wales Annual Audit Report</li> </ul>	<ul style="list-style-type: none"> <li>• Decarbonisation Action Plan</li> <li>• Active Travel Charter</li> </ul>	<ul style="list-style-type: none"> <li>• Decarbonisation Action Plan</li> <li>• Director of Public Health Report 2023 – 2024</li> <li>• Vaccination and Immunisation and Vaccine Equity Strategic Plans 2023-2026</li> </ul>

<p>Planning, Performance &amp; Finance</p> <ul style="list-style-type: none"> <li>• Integrated Performance Dashboard</li> <li>• Civil Contingencies and Business Continuity Report</li> <li>• Finance Report</li> <li>• CTM 2030 Our Health, Our Future</li> <li>• CTM 2030 Clinical Services Plan</li> <li>• Regional Capital Board – Capital Plan</li> <li>• Annual Plan Quarterly Updates</li> <li>• Annual Plan 2023/2024 Resubmission</li> <li>• Annual Carbon Plan</li> <li>• Integrated Medium Term Plan</li> </ul>	<p>Quality Governance</p> <ul style="list-style-type: none"> <li>• Nurse Staffing Levels Annual Assurance Report 2023-2024</li> <li>• Carers Annual Report</li> <li>• Putting Things Right Annual Report</li> <li>• . Infection Prevention &amp; Control Annual Report</li> <li>• Clinical Education Annual Report</li> <li>• Safeguarding Annual Report</li> </ul>	<p>Partnership Working</p> <ul style="list-style-type: none"> <li>• Working in Partnership</li> <li>• Regional Ophthalmology Strategy</li> <li>• Regional Partnerships Board &amp; Public Services Board 6 Monthly Report - Verbal Update</li> <li>• Implementing a Regional Model of Integrated Community Care Services</li> <li>• Establishment of the NHS Wales Joint Commissioning Committee, as a Joint Committee of Local Health Boards in NHS Wales</li> </ul>
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### CTMUHB - Board Membership

The Board has been constituted to comply with the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009. The Board consists of 20 voting members (11 Independent Members and 9 Executive Directors). There are also three Associate Members that take part in board meetings in public, though they do not hold any voting rights. The Board is supported by the Director of Corporate Governance/Board Secretary, the Director of Digital and the Director of Communications, Engagement & Fundraising, who attend its meetings but do not have voting rights.

There have been changes to the cohort of Independent Members of the Board during 2024-2025, CTMUHB has said farewell to:

- Lynda Thomas, Independent Member (Corporate) Term ended 11 August 2024
- Nicola Milligan. Independent Member (Trade Union) Term ended 18 August 2024

CTMUHB also warmly welcomed two new Independent Members to the Board in 2024-2025:

- Rachel Rowlands, Independent Member (Community) on 1 April 2024; and
- Hayley Proctor, Independent Member (Trade Union) on 1 October 2024.

New terms for Associate Board Members Anne Morris and Lisa Curtis Jones also commenced during 2024-2025.

Biographies, providing further information on Board Members, are published on CTMUHB's [website](#).

In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Board Members also fulfil Champion roles where they act as ambassadors for these matters. The table at Appendix B of the Governance Statement sets out the composition of the Board in 2024-2025 outlining the positions held, the area or expertise/ representation role, the Board and Committee membership and attendance, and the Champion roles.

There have been no changes made to the Executive Leadership Group during the year.

### Board Committees

The Board can and has delegated certain functions to Board Committees, whilst maintaining that the Board is ultimately accountable and responsible for decision-making.

An effective Board and Committee structure provides the mechanism for Board Members to be able to focus on "Oversight, Insight and Foresight".

Between 1 April 2024 and 31 December 2024, there were **nine** formal Board Committees

1. Audit & Risk Committee
2. Charitable Funds Committee
3. Digital & Data Committee
4. Mental Health Act Monitoring Committee
5. People & Culture Committee
6. Population Health & Partnerships Committee
7. Planning, Performance & Finance Committee
8. Quality & Safety Committee
9. Remuneration & Terms of Service Committee

There was also one formal Sub Committee of the Board between 1 April 2024 and 31 December 2024:

1. Health Safety & Fire Sub Committee (Sub Committee of the Quality & Safety Committee)

At the CTMUHB Board meeting on the 28 March 2024, the Board approved the implementation of new Board Committee and Sub Committee Structure. At the Board meeting on 26 September 2024 the Board approved the terms of reference for the new committees and agreed that the new structure would go live on 1 January 2025.

From 1 January 2025 onwards, there are **seven** formal Board committees:

1. Audit Risk & Assurance Committee

2. Charitable Funds Committee
3. Mental Health Act Monitoring Committee
4. Operational Delivery Committee
5. Quality, Safety and Experience Committee
6. Remuneration & Terms of Service Committees
7. Strategic Development Committee

From 1 January 2025 onwards, there are **three** formal Board Sub Committees:

1. 1.Health Safety & Fire Sub Committee (Sub Committee of the Quality, Safety and Experience Committee)
2. Organ Retention Sub Committee (Sub Committee of the Quality, Safety and Experience Committee)
3. Power of Discharge Sub Committee (Sub Committee of the Mental Health Act Monitoring Committee)

Given the changes as a result of the approval of the Effective Management of Board Business, which resulted in the new Committee structure, a significant amount of work was undertaken during the transitional period to ensure that legacy reports were produced for those committee that were standing down and that actions, forward work programmes, risk coverage and other relevant items were appropriately brought forward to the new committees to ensure that everything was appropriately captured.

Each Committee and Sub-Committee is chaired by an Independent Member. The committees have an important role in providing scrutiny and seeking assurance in relation to the achievement of our strategic and planning objectives, provision of safe and effective services, compliance with legislation and standards, learning from lessons, and oversight of performance and risk.

The Terms of Reference for all current Board Committees are reviewed on at least an annual basis and can be found on CTMUHB [website as follows](#):

The chair of each committee provides a written Highlight Report to the Board following each meeting outlining key risks and highlighting areas, which need to be brought to the Board's attention to contribute to its assessment of assurance and provide scrutiny against the delivery of objectives or other matters.

The committees, as well as reporting to the Board, also work together on behalf of the board to ensure, where required, that cross reporting and consideration takes place, and assurance and advice, is provided to the board and the wider organisation.

As well as producing formal minutes, each committee maintains a table of actions that is monitored at meetings, a Committee Cycle of Business and a Forward Work Programme. Each committee chair is also responsible for providing the Board with an annual report, setting out a helpful summary of its work throughout the year. Each committee has an Executive Director lead(s) who works closely with the chair of each committee in agenda setting, business cycle planning and to support good quality, timely information being received at Committee meetings.

Agenda planning meetings are held with Committee Chairs, Vice Chairs, Executive Leads and the Corporate Governance Team which provides an opportunity to reflect on the effectiveness of the previous meeting and consider the agenda for the next, whilst also referencing the Committee Cycle of Business, Forward Plan, the Board Assurance Framework and high risks on the Organisational Risk Register.

There is an agreed process for committee referrals where the Chair of the referring Committee will ensure the following questions are clarified prior to an item being deferred:

- What are you referring?
- Why are you referring it?
- What is the outcome that you are anticipating from this referral?

Appendix B of the Governance Statement includes a table outlining Board and Committee Membership attendance for 2024-2025.

Appendix C of the Governance Statement includes a table outlining the Board and Committee meetings held during 2024-2025, highlighting any meetings where there may have been an issue with quoracy.

### Board Advisory Groups

CTMUHB has a statutory duty to 'take account of representations made by persons and organisations who represent the interests of the communities it serves, its officers and healthcare professionals'.

- **Stakeholder Reference Group (SRG)**

The SRG is formed from a range of partner organisations from across the Health Board's population area and engages with and has involvement in the strategic direction, advises on service improvement proposals and provides feedback to the Board on the impact of its operations on the communities it serves. The SRG met six times during 2024-2025. This group is chaired by Anne Morris, Associate Board Member.

- **Clinical Advisory Group (CAG) (Formerly known as the Health Professionals' Forum)**

The CAG provides the mechanism to seek essential contributions from clinicians across CTMUHB in the development of CTMUHB's clinical strategy. It provides a structure within CTMUHB that enables the front-line clinical team voices to reach management and the Board from a pan-health board perspective. The CAG met eight times during 2024-2025. This group is chaired by Sally Bolt, Associate Board Member.

- **Local Partnership Forum (LPF)**

The LPF engages with local trade union representatives from all recognised trade unions, on matters relating to operational and strategic workforce and CTMUHB service delivery issues. It provides the formal mechanism through which the CTMUHB works together with trade unions and professional associations to improve health services for the population served. It is the LPF

where key stakeholders engage with each other to inform debate and seek to agree local priorities on workforce and health service issues. The LPF met five times during 2024-2025. This forum is jointly chaired by a Staff Side Representative and Hywel Daniel, Executive Director for People.

## Board Development

CTMUHB holds regular Board Development sessions. Throughout 2024-2025 we held sessions on a variety of topics to support ongoing awareness, learning and development for Board Members. Examples of the topics covered include:

- Staff Survey Results Feedback
- Cancer in CTMUHB
- Work with the Consultation Institute
- Joint Board Development Session with Public Health Wales on Tackling Diabetes and Tackling Obesity
- Board Skills Matrix and Diversity Profiling
- Princess of Wales Critical Incident
- Independent Member and Executive Walkarounds
- Development of Primary and Community Care
- Integrated Medium Term Plan (IMTP)

The purpose of these sessions is to promote Board engagement, relationships and collaboration and increase the opportunity for Board members to gain a greater understanding of their core responsibilities, develop the skills of the collective Board, work together effectively in developing strategy, strengthening oversight and delivering the collective accountabilities of a Board. The continuing approach for Board Development Sessions will be a structured programme of development, facilitated where appropriate.

There will be at least four sessions per annum where Board Members are asked to prioritise attendance in person, it is considered that meeting in person supports and builds positive relationships and engagement amongst Board Members.

Where possible the sessions will be limited to two topics per session to allow for enough time for robust discussion and learning.

## Board Briefings

During 2024-2025, Board Briefing sessions continue to be held to brief Board Members on topical issues (including confidential issues) and to raise awareness and understanding to better inform decision-making and scrutiny. Items are suggested by the Executive or requested by Independent Members to build a programme of briefings relevant to topical and timely issues.

### **Board Annual Self-Assessment of its Effectiveness 2024-2025**

During 2024-2025, CTMUHB has undertaken and/or engaged in several assessments that would provide internal and external sources of assurances to support the Board in undertaking its annual effectiveness self-assessment, these are:

Internal Sources of assurance:

- Effective Management of Board Business Review;
- Board Development Session – Skills Matrix and Diversity Profiling;
- Corporate Governance in Central Governance Departments: Code of Practice 2017;
- 360 Degree Chair Feedback
- Good Governance Activity, such as;
  - Reflective Practice following Board and Committee meetings
  - Board Committee Effectiveness
  - Independent Member Scrutiny Toolkit
  - Board Assurance Framework Reporting
  - Board Development Programme / Board Briefings
- Annual Review of the Risk Management Framework;
- Responding to the 2023-2024 Annual Board Effectiveness Self-Assessment.

External Sources of Assurance:

- Audit Wales Structured Assessment 2023 and 2024;
- Joint Escalation and Intervention Arrangements Status – Quality & Governance, Trust and Confidence;
- Quality Governance Review (Audit Wales and Health Inspectorate Wales).

CTMUHB also started 2024-2025 with the announcement by Welsh Government that maternity and neonatal services at CTMUHB were to be de-escalated from 'enhanced monitoring' to 'routine arrangements'. Our teams in neonatal and maternity services have shown outstanding commitment to our improvement journey and to implementing sustained change, following a 2019 review by the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives. This announcement clearly demonstrated the progress we have made and are continuing to make for local families.

Furthermore, following an assessment in March 2025 the escalation status for CTMUHB's NHS Oversight and Escalation Arrangements were reviewed as follows:

- Child and Adolescent Mental Health Services be de-escalated from level 3 (enhanced monitoring) to level 1 (routine arrangements).
- Planned care and cancer will be de-escalated from level 4 (targeted intervention) to level 3 (enhanced monitoring).

Please refer page XX of this Annual Report which outlines the current escalation status of CTMUHB and the changes during 2024-2025.

Following due consideration of the sources of assurances and supporting documentation, the Board were asked to consider an overall level of maturity in respect of governance and Board effectiveness, based on the same criteria used in previous years, the Board concluded its maturity rating in respect of Board Effectiveness / Governance, Leadership and Accountability to be "Level 4 –We have well developed plans and processes and can demonstrate sustainable improvement throughout the service", and this was formally approved by the Board at its meeting on 27 March 2025.

## Joint Committees

As noted on page 11, CTMUHB hosts the Joint Commissioning Committee (JCC) on behalf of NHS Wales.

Further detail on the JCC is captured on page 10 of this report and the JCC Accountability Report is available here: [Hosted Organisations - Cwm Taf Morgannwg University Health Board](#)

During its first year, the governance arrangements of the new JCC have been working effectively. There is regular interface and dialogue between officers at CTMUHB and the JCC and more formal meetings including between the two Accountable Officers, where the Hosting Arrangements are discussed. Going forward we will continue to review the arrangements which we have in place and ensure that they remain fit for purpose.

## Partnership and Collective Working

### *NHS Wales Shared Services Partnership Committee*

NWSSPC was established in 2012 and is hosted by Velindre University NHS Trust. It is responsible for the shared services functions for the NHS, such as procurement, recruitment, and legal services. CTMUHB is represented by the Executive Director for People at this committee with regular reports received by the Board following each meeting.

A 'Working in Partnership' update report is received by the Board at every meeting. Update reports from the Advisory Groups, Joint Committees and Statutory Partnerships are also received and these can be found with the Board papers available via the following link

## Command and Control Structure

As reported in previous annual reports a command-and-control structure was established to facilitate planning and preparations in response to the COVID-19 pandemic. During 2024-2025, the command-and-control structure was stood up to support the response to critical incidents and to manage service impact and to minimise disruption to services. A detailed lesson learned and debriefing exercise and paper was put together to reflect on the October 2024 critical incident that occurred with relation to the roof at the Princess of Wales Hospital.

## The Purpose of the System of Internal Control

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

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts.

The Board is accountable for maintaining a sound system of internal control which aids achievement of the organisation's objectives. It has been supported in this role by the work of the main Committees, each of which provides regular reports to the Board, underpinned by a Board Committee structure, as outlined in Appendix D of the Governance Statement. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability.

CTMUHB recognises that scrutiny has a pivotal role in promoting improvement, efficiency and collaboration across the whole range of its activities and in holding those responsible for delivering services to account.

## Capacity to Handle Risk

### *Risk Management Strategy*

CTMUHB is committed to developing and implementing a Risk Management Strategy (and Board Assurance Framework) that will identify, analyse, evaluate and control the risks that threaten the delivery of its strategic objectives and delivering against its Annual Plan.

The Board Assurance Framework (BAF) is used by the Board to identify, monitor and evaluate risks which impact upon strategic objectives. It is considered alongside other key management tools, such as workforce, performance, quality dashboards and financial reports, to give the Board a comprehensive picture of the organisational risk profile.

CTMUHB reviewed and approved a revised Risk Management Strategy at its meeting in May 2024, which is available on the Health Board's [website](#): and is further complemented by an updated Risk Management Policy and Risk Assessment Procedure.

The Risk Management Strategy, Risk Management Policy and Risk Assessment Procedure outline how CTMUHB escalates areas of weakness (risk) from service to Board.

'Llais', who represent the views of and advocate for people across health and social care in respect of complaints about services) are represented at the Quality & Safety Committee and Health Board meetings where risk is discussed.

Where work is delivered in partnership with strategic partners, such as via the Public Services Board and Regional Partnership Board, risk management arrangements are led by the host organisation. These risk management arrangements dovetail with the CTMUHB's Risk Management Framework to feed into the Organisational Risk Register and Board Assurance Framework as appropriate.

### *Risk Appetite Statement*

CTMUHB's Risk Appetite has been defined following consideration of organisational risks, issues and consequences. Appetite levels will vary, in some areas the Health Board's risk tolerance may be cautious in others it may be eager for risk and willing to carry risk in the pursuit of important strategic objectives.

CTMUHB will always aim to operate organisational activities at the levels defined below. Where activities are projected to exceed the defined levels, this will be escalated through the appropriate governance mechanisms to the Board for ratification.

The Risk Management Strategy, Risk Appetite Statement, Board Assurance Framework and Risk Scoring Domain Matrix were reviewed in April 2024 and approved at the Public Board Meeting in May 2024. They are next scheduled for review in May 2025.

The current risk appetite domains are:

**Quality and Safety risks** - (including physical and/or psychological harm) of its patients, workforce and the public) – the Health Board has adopted a **Cautious** stance for quality and safety risks, with a preference for safer delivery options, tolerating a cautious degree of residual risk and choosing the option most likely to result in successful delivery, high quality care and value for money services to its population.

**Reputation / Adverse Publicity (Trust in Confidence) risks** - the Health Board has adopted a **Cautious** stance for reputational risks, with a preference for safer delivery options, tolerating a cautious degree of residual risk and choosing the option most likely to result in successful delivery, high quality care and value for money services to its population.

**Business Continuity risks** - the Health Board has adopted a **Cautious** stance for Business Continuity Risks. The Board will receive ongoing assurance from the testing of business continuity plans.

**Legal / Regulatory Compliance risks** – the Health Board has adopted a Cautious stance for Legal, Regulatory and Compliance risks, seeking a preference for adhering to responsibilities and safe delivery options with little residual risk. The Board will receive assurance that compliance regimes are in place.

**Data and Information Management risks** – the Health Board has adopted a **Cautious** stance for data and information management risks seeking a preference for adhering to responsibilities and safe delivery options with little residual risk. There is acceptance for the need for operational effectiveness with risk mitigated through careful management of information sharing and limiting distribution.

**Financial stability risks** – the Health Boards stance for financial risk is varied as follows:

- **Averse** for financial propriety and regularity risks with a determined focus to maintain effective financial control framework accountability structures;
- **Averse** – in terms of risks related to the Health Boards qualification of accounts, associated process and deviation from reporting timescales;
- **Minimal** – as to risk relating to breaching individual control totals;
- **Cautious** – in relation to the Health Boards budget spend with the intention that it should maximise the use of resource each year. The Health Board will seek safe delivery options with little residual risk that only yield some upside opportunities. The Board would receive ongoing assurance through reporting structures that policies and procedures are in place to comply with HMT guidance.

**Assets and Estates risks** – the Health Board has adopted **Cautious and Open** stances for assets and estates respectively, seeking value for money but with a preference for proven delivery options that have a cautious residual risk. This means that the Health Board will use solutions for purchase, rental, disposal, construction, and refurbishment that ensures it protects the public purse from as much risk as possible, producing good value for money whilst fully meeting organisational objectives.

**Technological advances** - the Health Board has adopted an **Open** stance for risks associated with technological advances accepting that system and technology developments can enable improved delivery. Responsibility for non-critical decisions may be devolved in accordance with the Scheme of Delegation. Plans

### *Board Assurance Framework*

CTMUHB's Board Assurance Framework (BAF) was first approved by the Board on the 31st March 2022. A review was undertaken in April 2024 and an updated BAF was approved at the Public Board meeting in May 2024.

The BAF is articulated via a Board Assurance Report (BAR) presented to Board that brings together the organisation's strategic goals and the strategic risks which may impact CTMUHB's ability to deliver its objectives. The BAR identifies the controls in place to manage these risks, assurances which show whether they are working, and the further mitigating action required.

The BAR:

- provides action plans to mitigate any gaps in controls or assurances;
- links to key measures of performance and National priority measures; and
- aligns strategic risks to operational risks on the Organisational Risk Register.

The benefits of the BAR include:

- that it is designed specifically for Board-level oversight;
- it is a structured and evidence-based assessment of the key risks facing CTMUHB
- can be used to shape cycles of business and the work of the Board and Board Committees;
- enables Independent Members to focus their scrutiny and constructive challenge; and
- supports strategic decision-making.

CTMUHB will monitor the BAR and ensure remains up to date by the following activity:

- each strategic risk has a Lead Executive(s);
- the Assistant Director of Governance and Risk will review the risk score, action plan and current performance with the Lead Executive(s) in readiness for reporting to the Board;
- each principal risk is aligned to a Board Committee(s) for assurance;
- the BAR will include a trend line for each strategic risk, showing how the score has changed over time;
- the Board should consider annually whether the principal risks are comprehensive, or if risks need to be added / removed / changed.

The Audit, Risk and Assurance Committee, as a Committee of the Board, has oversight of the processes through which the Board gains assurance in relation to the management of the BAF. The latest Board Assurance Framework Report which was received at the Board meeting on the 27<sup>th</sup> March 2025, is available here: [28](#)

[March 2024 - Cwm Taf Morgannwg University Health Board](#). The BAF report is captured on page 62 of the Agenda and Papers bundle.

*Strategic / Principal Risks*

As at the 31<sup>st</sup> March 2025, there are nine Strategic Principal Risks captured within the Board Assurance Framework as follows:

*Figure 51*

Risk no	Strategic / Principal Risk	Strategic Goal	Lead(s) for this risk	Assurance committee	Current score
1a	<b>Sufficient capacity to meet elective demand</b>	<b>Improving Care</b>	Chief Operating Officer	Quality, Safety & Experience Committee  Operational Delivery Committee	<b>16</b> (C4xL5)
1b	<b>Sufficient capacity to meet emergency demand</b>	<b>Improving Care</b>	Chief Operating Officer	Quality, Safety & Experience Committee  Operational Delivery Committee	<b>20</b> (C4xL5)
2.	<b>Ability to deliver improvements which transform care and enhance outcomes</b>	<b>Improving Care</b>	Executive Dir. Of Nursing, Midwifery /  Executive Medical Director	Quality, Safety & Experience Committee  Strategic Development Committee	<b>16</b> (C4xL4)
3.	<b>Sufficient workforce to deliver the activity and quality ambitions of the organisation</b>	<b>Sustaining our Future</b>	Executive Director of People	Operational Delivery Committee  Strategic Development Committee	<b>16</b> (C4xL4)
4.	<b>Community and Partner Engagement</b>	<b>Creating Health</b>	Director of Communications, Engagement & Fundraising	Strategic Development Committee	<b>12</b> (C4xL3)
5.	<b>Delivery of a digital and information infrastructure to support</b>	<b>Improving Care</b>	Director of Digital	Operational Delivery Committee  Strategic Development Committee	<b>16</b> (C4xL4)

	<b>organisational transformation</b>				
6.	<b>Risk Closed</b>				
7	<b>Culture, Values and Behaviours</b>	<b>Inspiring People</b>	Executive Director for People	Strategic Development Committee	<b>12</b> (C4xL3)
8	<b>Fulfilling our Environmental and Social Duties and ambitions</b>	<b>Sustaining our Future</b>	Executive Director of Strategy and Transformation	Strategic Development Committee	<b>16</b> (C4xL4)
9	<b>Healthy Life Expectancy</b>	<b>Creating Health</b>	Executive Director of Public Health	Strategic Development Committee	<b>20</b> (C5xL4)
10	<b>Failure to plan and manage revenue resources within the Revenue Resource limits set by Welsh Government</b>	<b>Sustaining our Future</b>	Executive Director of Finance	Operational Delivery Committee	<b>12</b> (C4xL3)

Strategic Risk 10, Failure to plan and manage revenue resources within the Revenue Resource limits set by Welsh Government, was approved for closure by the Board at its meeting on the 27 March 2025.

The Board Assurance Framework Report shared with the Board at its Public meeting on the 27 March 2025, explores these strategic risks in more detail and outlines the mitigating action being taken, the anticipated impact of the mitigations and how CTMUHB will measure the success. The report referred to is available here: [28 March 2024 - Cwm Taf Morgannwg University Health Board](#). The BAF report is captured on page 62 of the Agenda and Papers bundle.

Aligned to the Strategic/Principal risks within the Board Assurance Framework report are organisational risks which have been escalated to the Organisational Risk Register, which have a risk score of 15 and above.

A summary of some of the highest graded risks facing the organisation, which have been escalated to the Organisational Risk Register, are listed below. This is not an exhaustive list and the Organisational Risk Register as at the end of March 2025 is available here: [22 May 2025 - Cwm Taf Morgannwg University Health Board](#). The Organisational Risk Register is captured on page 97 of the Agenda and Papers Bundle.

### *Service to Board Escalation*

The risk management process in relation to the escalation of new risks is defined in Appendix 3 of the Risk Management Strategy available here: [Health Board Policies and Procedures - Cwm Taf Morgannwg University Health Board](#).

### *Risk Tolerance Levels*

CTMUHB's Risk Management Strategy indicates that any risk graded 15 and above, or those not able to be managed, are escalated to the Organisational Risk Register for consideration by the Board once they have been signed off through the relevant escalation stages.

### *Organisational Risk Register*

A copy of the Organisational Risk Register (as at March 2025) is available here: [22 May 2025 - Cwm Taf Morgannwg University Health Board](#). The Organisational Risk Register is captured on page 97 of the Agenda and Papers Bundle. It is received in its entirety at the Audit, Risk & Assurance Committee and assigned risks are considered at each Board Committee meeting as appropriate. The cover paper supporting the register outlines the new risks, control measures and the action taken to mitigate risks. The register is also made available to Board Members at each Board meeting for reference when scrutinising the Board Assurance Report.

### *Risk Management Training*

Risk Management training continues on a monthly basis delivered by the Assistant Director of Governance & Risk. Sessions are planned throughout 2025 and continue to result in positive feedback and results in training numbers growing year on year. The sessions can now be booked via ESR and training compliance is shared with Care Groups via a report to the Operational Management Board.

### *Independent Assurance on Risks*

- **Internal Audit Review – Board Assurance Framework (April 2023)** – Substantial Rating
- **Internal Audit Review – Risk Management (March 2024)** - Reasonable Assurance.
- **Audit Wales - Structured Assessment Report 2024**

The Structured Assessment Report for 2024 was received at the Audit, Risk & Assurance Committee in February 2025 and presented to the Board at its meeting in March 2025, the full report is available here: [Cwm Taf Morgannwg University Health Board – Structured Assessment 2024 | Audit Wales](#).

The report commented on risk as follows:

*"We found that whilst the Health Board has generally effective corporate arrangements for managing risks, there is scope to strengthen reporting on the impact of actions taken to mitigate strategic risks.*

*The Health Board maintains a detailed and comprehensive BAF, which the Board reviews at each meeting. The BAF is owned by the Board, who use it to oversee, scrutinise and manage strategic risks. The BAF reflects the Health Board's long-term strategic goals and captures the strategic risks it is currently*

*facing and the associated impact on the organisation. It also provides appropriate information on risk scores, key controls, assurances, gaps in controls and assurance, and mitigating actions. However, the Health Board could strengthen its approach by clearly reporting the impact of actions that it is taking to mitigate its strategic risks. (Recommendation 3, 2024)*

*The Health Board continues to use the BAF to shape and inform its committee business. BAF and committee assigned risks are discussed at all agenda planning meetings and considered when shaping committee cycles of business.*

*Organisational risk register reports to committee identify both the strategic and organisational risks assigned to committees. The Board reviews its risk appetite position annually and has adopted either a cautious, open, or averse risk tolerance across its risk domains.*

*The Health Board continues to have effective risk management arrangements. We found evidence of:*

- clear policies, procedures, and training;*
- clear articulation of the organisation's highest scoring operational risks, existing controls, and actions to mitigate them within the organisational risk register;*
- effective committee oversight of organisational risks during public and private meetings, with good scrutiny, questioning and discussion; and*
- clear organisational risk register reports to committees"*

CTMUHB has completed the action in response to 'Recommendation 3, 2024' in the March 2025 iteration of the Board Assurance Framework.

## The Control Framework

### *Quality Governance*

CTMUHB's Quality Strategy sets out our quality ambitions and our quality goals, structured around the six dimensions of quality for 2022-2025.

CTMUHB undertook stakeholder engagement to ensure that these chime with the views and priorities of its stakeholders.

Each year, CTMUHB will devise an Annual Quality Work Plan to focus its efforts on the delivery of quality objectives. Identification of these annual objectives will be data-driven and risk-stratified to ensure a targeted approach to improving quality.

CTMUHB report its progress against the quality objectives that it has committed to achieve. This will be at regular intervals and CTMUHB will adapt its plans based upon progress and learning.

CTMUHB ensures that its quality performance monitoring is 'always on'. The Quality Management System will ensure that quality performance data is readily available in order to ensure rapid identification and response to any early warning indicators.

Quality and safety is everyone's business, but senior accountability and responsibility and collective responsibility is shared across its four clinical Executive Directors. The operating model ensures clearly defined structures for quality governance across the Care Groups, and professional groups who have clearly identified leads for quality.

CTMUHB's risk management strategy is outlined on page 145. CTMUHB considers that the risk management process within the organisation supports the approach set out in "The Orange Book – Management of Risk – Principles and Concepts". [The Orange Book – Management of Risk – Principles and Concepts \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/100000/the-orange-book-management-of-risk-principles-and-concepts.pdf)

### *Clinical Audit*

A report setting out progress on the Clinical Audit Forward Plan for 2024-2025 (which includes a position report for audits from 2023-2024) was submitted to the Quality, Safety & Experience Committee at its meeting in March 2025, available here [25 March 2025 - Cwm Taf Morgannwg University Health Board](#) and captured on page 371 of the Agenda and Papers bundle.

A programme of Themed Clinical Effectiveness Committees (CEC) was established that are responsible for reviewing the progress against the organisation Clinical Audit Forward Plan and local Clinical Audit Operational Plans.

The CECs identifying priority clinical audit topics and monitor national clinical audit recommendations and action plans. The CECs are also able to escalate any

concerns to Audit, Risk & Assurance Committee and Quality, Safety & Experience Committee.

### *Corporate Governance Code*

An assessment of the Corporate Governance Code has been undertaken and is captured along with the annual review of Board Effectiveness.

The Board concluded its maturity rating in respect of Board Effectiveness / Governance, Leadership and Accountability to be “Level 4 –We have well developed plans and processes and can demonstrate sustainable improvement throughout the service”, and this was formally approved by the Board at its meeting on 27 March 2025.

### *Integrated Performance Dashboard*

The arrangements for managing performance within CTMUHB is detailed in the Performance Report section captured on page 19.

### *Planning Arrangements*

The planning arrangements relating to CTMUHB’s IMTP are outlined on page 20.

## Disclosure Statements

### *Equality, Diversity and Inclusion*

Publishing a Strategic Equality Plan is crucial not only to meet statutory obligations but also from an ethical standpoint. It demonstrates our commitment to transparency and accountability, ensuring that organisations like Cwm Taf Morgannwg University Health Board (CTM UHB) are actively working towards eliminating discrimination and promoting equality.

CTM UHB have developed their Strategic Equality Plan (SEP) in collaboration with its workforce as well as its community through an internal and external consultation period over summer 2023. The key themes arising from the consultation have led to finalising the four objectives aligned to the CTM 2030 Strategy.

These are:

1. Services - Improve the experience and health outcomes for our patients, ensuring equal access to the services that they need.
2. People – Improve staff engagement and experience, attracting and retaining diverse talent and create a compassionate, inclusive and just culture in which everyone can thrive.
3. Community - Make sure under-represented groups and marginalised communities are involved at the outset of design and delivery of services.
4. Infrastructure – Make sure equality, diversity and inclusion is embedded into the way CTMUHB operate and delivers its services.

The SEP covers the period 2024-2028 in line with Welsh Government guidelines; and the action plan which sits under the SEP will encompass measures linking to national government action plans for Anti-Racism, LGBTQ+ and Disability whilst also tending to measures relating to Gender Pay.

#### **SEP engagement:**

There was a five month consultation and engagement period spring/summer 2023 to develop our SEP, we invited and involved partners, our communities, our patients/services users and our staff in its design which led to four objectives or commitments: Services, People, Community and Infrastructure.

#### **Impact assessments:**

We have integrated equality and Welsh language impact assessments to streamline the process for users and to help ensure we consider equality holistically and openly, rather than restrictively. Completion has improved, and more work is planned to fully integrate it into governance processes.

#### **Supported Apprentices:**

Supported Internships see us continuing to work with local colleges and partners to offer year-long work experience placements to young people with learning

difficulties and/or autism. 93% of all interns have gone on to either employment, volunteering or apprenticeships.

Apprentices add a unique quality, and our teams are benefitting from working with such brilliant young people, looking ahead we are keen to do more to ensure our career pathways and access to work programmes are better aligned to our workforce shape and supply needs.

### *Membership of the NHS Pension Scheme*

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 into the Scheme are in accordance with the Scheme rules, and that member's Pension Scheme records are accurately updated, in accordance with the timescales detailed in the Regulations.

### *Lapses in Information / Data Security*

Data protection legislation requires that where personal data breaches meet a certain set criterion, they be notified to the Information Commissioner's Office (ICO) as the statutory body for data protection in the UK. Information governance incidents are assessed against the threshold for notification by the Information Governance Team. Incident reports which include data breaches are submitted to the Information Governance Group for scrutiny.

For the year 2024-2025, the Information Commissioners Officer were notified of five data breaches.

These included the following:

- inappropriate access of records,
- missing health record,
- failure to comply with statutory requirements and information disclosed to an unintended recipient.

The inappropriate access breach is awaiting review by the criminal investigation team, however the other matters listed above have been closed with no further action required.

All recommendations, actions and lessons learnt are shared with the area where the breach occurred and are also submitted and monitored via the Information Governance Group.

### *Carbon Reduction Delivery Plans*

Please see the Sustainability Report section on page 113 onwards.

## *Emergency Planning, Preparedness and Response*

As a Category 1 Responder, CTMUHB must fulfil its statutory duties in relation to Emergency Preparedness, Response and Recovery (EPRR) under the Civil Contingencies Act (CCA) 2004 and in line with Emergency Guidance issued by Welsh Government (WG). There is a robust governance structure for oversight of the EPRR functions with an executive lead for EPRR and formal reporting structures to the appropriate Committee and Board.

During 2024-2025, CTMUHB can confirm that it had in place its EPRR arrangements that are in accordance with the legal requirements under the Civil Contingencies Act and the Emergency Planning Guidance issued by Welsh Government.

CTMUHB's Strategic Emergency Preparedness, Response and Recovery Group continues to oversee planning and preparedness within CTMUHB and work is ongoing to further develop and embed operational EPRR functions across revised care group structures. This is to ensure that pre-planning for foreseeable and unforeseen events is embedded within processes and procedures.

During 2024-2025 key achievements for CTMUHB were:

- The review and updating of the health board's Major Incident Plan and the development of site-specific plans for the three acute hospital sites.
- Agreement of a memorandum of understanding with the Office of the Coroner for action in the event of a mass fatalities exercise.
- Signing the Charter for Families Bereaved by Public Tragedy.

Amongst the key actions for 2025-2026 are:

- Pandemic framework review
- Incident management training needs analysis and delivery plan
- All Wales mass casualty dashboard development
- Work with Facilities/Estates colleagues to deliver the Protect Duty and security assessments in line with Martyn's Law.

EPRR arrangements have also been captured in the IMTP on page 23.

## *Register of Interests*

Register of interests Details of company directorships and other significant interests held by members of the Board, which may conflict with their responsibilities, are maintained, and updated on a regular basis. A Register of Interests is available on CTMUHB's website at: [Register of Interests, Gifts, Hospitality & Sponsorship - Cwm Taf Morgannwg University Health Board \(nhs.wales\)](#), or a hard copy can be obtained from the Director of corporate Governance/Board Secretary on request.

### *Environmental, Social and Community Issues*

As outlined in the Environmental Sustainability section on page 133 onwards, CTMUHB works hard to reduce its impact on the environment, to encourage staff to make healthy lifestyle choices, and to strengthen our relationships and engagement with local communities. Our strategic approach to sustainability ensures that we not only look at ways to reduce fixed costs such as energy, water and waste, however, we also embed efficiency principles within our processes for procuring goods and services.

### *Ministerial Directions*

There were 25 Ministerial Directions received during 2024-2025, as outlined in Appendix A.

All Directions were shared with the relevant lead within CTMUHB for action / noting as appropriate.

## *Modern Slavery Act 2015 – Transparency in Supply Chains - The Welsh Government's Code of Practice*

Ethical Employment in Supply Chains highlight the need, at every stage of the supply chain, to ensure good employment practices exist for all employees, both in the United Kingdom and overseas. CTMUHB has continued to embed the principles and requirements of the Code, and the Modern Slavery Act 2015. In doing so, it is demonstrating our continued commitment to playing its role as a major public sector employer, to eradicate unlawful and unethical employment practices, such as:

- Modern Slavery and Human rights abuses;
- The operation of blacklist / prohibited lists;
- False self-employment;
- Unfair use of umbrella schemes and zero hour's contracts;

To promote this agenda CTMUHB raises awareness of the Code with our staff via Statutory and Mandatory training, as well as with our contractors and suppliers, through the procurement process. CTMUHB is an accredited Living Wage Employer, which means our staff receive an hourly rate, which is higher than the Government's "Minimum National Living Wage." This commitment applies to not only to our directly employed staff but also to our third-party contractor and supplier staff. Newly appointed CTMUHB contractors / suppliers are required to pay their staff the living wage if they are not already in receipt. This ensures everyone working or undertaking work for CTMUHB will receive a fair day's pay for their work.

CTMUHB has in place a Raising Concerns (Whistleblowing) SharePoint page, which provides our staff with easy access to the policy and a summary of the process and individuals they may contact, to empower and enable them to raise suspicions of any form of malpractice, by either our staff or that of suppliers / contractors working on our premises. Staff also have the opportunity to raise such matters via the Respect and Resolution Policy, Procedure for Dealing with Anonymous Communications, Concerns Policy and Procedure, Being Open Policy and Procedure and Final Persistent Complaints Procedure, all of which provides our employees, workers, patients and the public with a voice, to raise any concerns they may have relating to our contractor's and supplier's behaviours and / or treatment of their workforce or that of the health board.

This process will be strengthened in 2025 – 2026, when CTMUHB introduces the Working in Confidence online platform. This will enable our employees to raise concerns anonymously, should they wish to do so and to have ongoing interact with a CTMUHB Speaking up Safely champion, until their concern is addressed.

As evidenced by our ongoing Living Wage accreditation, the health board has continued to work in partnership with NHS Wales Shared Services Partnership,

recruitment and, buying and procurement staff, to ensure the code commitments underpin and support these activities.

During 2025-2026 CTMUHB will continue to take the following actions, to deliver on the Code's commitments: -

- Produce and publish an annual Ethical Employment Statement on SharePoint, internally and externally;
- Seek assurances the NWSSP Procurement Service continues to use the Transparency in Supply Chains (TISC) Report - Modern Slavery Act (2015) compliance tracker, through contracts procured by them, on the behalf of CTMUHB;
- Utilise the tender process to obtain assurances that potential suppliers do not make use of blacklists / prohibited lists;
- Ensure all newly appointed contractors and suppliers are paying their staff the living wage;
- Continue to pay the living wage to our staff on the lowest pay bands, which are Agenda for Change Bands one and two;
- Pay our contractors and suppliers within the 30-day target of receipt of a valid invoice;
- Continue to utilise our robust IR35 processes, to reduce the risk of false self-employed workers or workers being engaged under umbrella schemes;
- Continue to use our robust IR35 processes to facilitate the fair and appropriate engagement of all workers and prevent individuals from avoiding paying Tax and National Insurance contributions;
- Not engage or employ any staff or workers on Zero Hours Contracts;
- Rigorously implement our robust Recruitment and Selection Policy and pre-employment checking procedure, to ensure a fair, transparent, and safe appointment process;
- Rigorously implement our robust Equality and Diversity Policy, to ensure no potential applicant, employee or worker engaged by CTMUHB is in any way unduly disadvantaged, in terms of pay, employment rights, employment, training and development or career opportunities;
- Ensure, in accordance with the Transfer of Undertaking (Protection of Employment) Regulations any staff or workers required to transfer to a third-party organisation, will retain their NHS Pay and Terms and Conditions of Service; and
- Launch the Working in Confidence online platform, to encourage and support our staff to speak up safely.

## Review of Effectiveness

### *Accountable Officer Statement*

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

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

### *Head of Internal Audit Opinion (HoIA) 2024-2025*

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

The opinion assists the Board in the completion of this Governance Statement and may also be considered by regulators, including Healthcare Inspectorate Wales, in assessing compliance with the Health and Care Quality Standards in Wales, and by Audit Wales in the context of both their external audit and performance reviews.

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

The full version of the HoIA & Annual Report for 2024-2025 will be accessible via CTMUHB's website from the end of June 2025. As mentioned earlier in this section the HoIA states that assurances can be provided to the Board regarding the arrangements to secure governance, risk management and internal control being suitably designed and applied effectively.

### *Delivery of the Audit Plan*

The audit plan was delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit, Risk & Assurance Committee (ARAC). In addition, regular audit progress reports have been submitted to ARAC. Although changes have been made to the plan during the year, the Head of Internal Audit has confirmed that sufficient audit work was undertaken during the year to be able to provide an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for 2024-2025, was presented to ARAC in April 2024. Changes to the plan have been made during the year and these changes have

been reported to the ARAC as part of Internal Audit regular progress reporting.

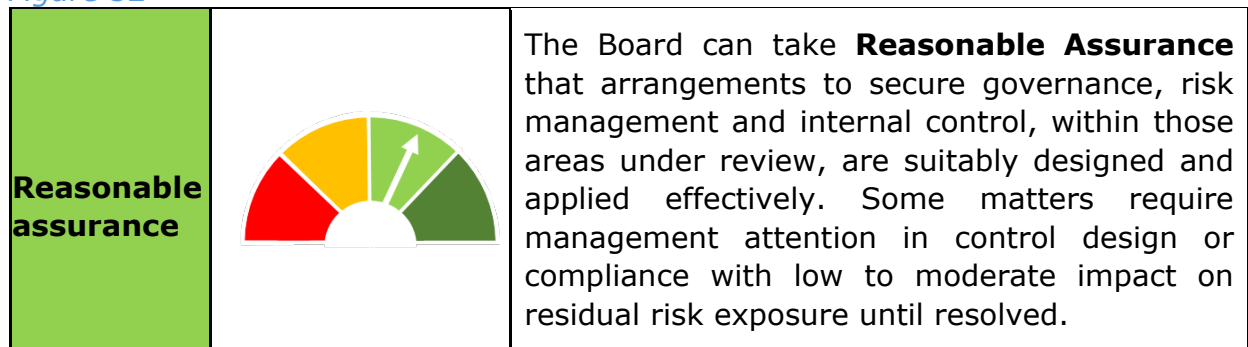
There are, as in previous years, audits undertaken at NHS Wales Shared Services Partnership (NWSSP), Digital HealthCare Wales (DHCW), and the new NHS Wales Joint Commissioning Committee (JCC) that support the overall opinion for NHS Wales health bodies.

*The overall opinion for 2024-2025 is that:*

The scope of the opinion covers both those areas examined in the risk-based audit plan which has been agreed with senior management and approved by ARAC, and other information obtained during the year that Internal Audit Services deem to be relevant to their work. The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement.

The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management, and control is set out below:

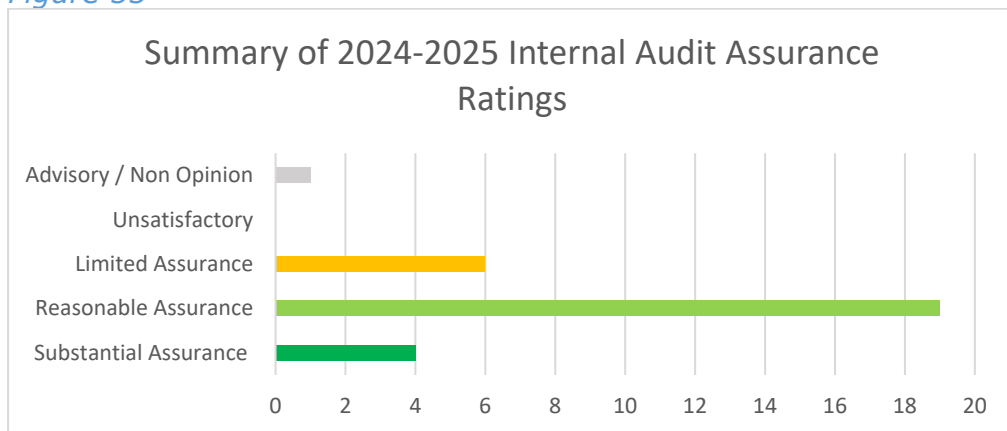
*Figure 52*



The overall opinion has also considered both the number and significance of any audits that have been deferred during the year and other information obtained during the year was deemed relevant to the audit activity.

*Summary of 2024-2025 Audit Assurance Ratings for CTMUHB*

*Figure 53*



A summary of the audits undertaken in the year and the results are summarised in the table on the following page.

Figure 54

Substantial Assurance	Reasonable Assurance
<ol style="list-style-type: none"> <li>1. Service user experience</li> <li>2. Follow up – Facilities governance arrangements</li> <li>3. Prince Charles Hospital management actions follow up</li> <li>4. Financial systems</li> </ol>	<ol style="list-style-type: none"> <li>1. Care Group model</li> <li>2. Cancer tracking process</li> <li>3. Intelligence led organisation</li> <li>4. Duty of Candour</li> <li>5. E-whiteboards [Draft]</li> <li>6. New Performance Development Review process</li> <li>7. Energy management</li> <li>8. Charitable funds</li> <li>9. Regional Integration Fund</li> <li>10. Follow up – Performance management – 4-hour target</li> <li>11. Follow up – Financial savings</li> <li>12. Follow up – Service Level Agreements arrangements</li> <li>13. Embedding the quality framework</li> <li>14. Prince Charles Hospital– Supply chain partner management</li> <li>15. Prince Charles Hospital – Delivery of project objectives</li> <li>16. Prince Charles Hospital– Financial and technical compliance [Draft]</li> <li>17. Access to diagnostics [Draft]</li> <li>18. Welsh Risk Pool [Draft]</li> <li>19. Audit recommendations tracker</li> </ol>
Limited Assurance	Unsatisfactory
<ol style="list-style-type: none"> <li>1. End of life care management</li> <li>2. Digital benefits realisation</li> <li>3. Additional medical pay</li> <li>4. Medical job planning</li> <li>5. Capital systems</li> <li>6. Vaccination policy implementation</li> </ol>	Nil
Advisory/Non-Opinion	
<ol style="list-style-type: none"> <li>1. Progress update – Gastro-intestinal pathways</li> </ol>	

*Follow-Up Work during 2024-2025 and Approach to Follow Up of Recommendations*

Internal Audit Services undertook follow-up work and issued five follow up reports during the year which considered the progress made by CTMUHB against the recommendations that were raised. These were:

1. Facilities Governance Arrangements – Substantial Assurance rating
2. Prince Charles Hospital – Management Actions – Substantial Assurance rating

3. Performance Management – 4-hour target – Reasonable Assurance rating
4. Financial Savings – Reasonable Assurance rating
5. Service Level Agreement Arrangements – Reasonable Assurance rating

As part of the activity undertaken by Internal Audit Services, progress made in implementing the actions agreed from previous reports for which they were able to give only Limited Assurance have been considered. In addition, where appropriate, they also consider progress made on high priority findings in reports where we were still able to give Reasonable Assurance. Testing on the accuracy and effectiveness of the audit recommendation tracker is and has been undertaken.

In addition, ARAC monitors the progress in implementing recommendations (this is wider than just Internal Audit recommendations) through their own recommendation tracker processes. Internal Audit Services attend all ARAC meetings and observe the quality and rigour around these processes.

However, it remains the role of ARAC to consider and agree the adequacy of management responses and the dates for implementation, and any subsequent request for revised dates, proposed by management. Where appropriate, Internal Audit have adjusted its approach to follow-up work to reflect these challenges.

Internal Audit Services have considered the impact of both their follow-up work and where there have been delays to the implementation of recommendations, on both their ability to give an overall opinion and the level of overall assurance that can be provided.

CTMUHB has also strengthened its audit tracker process during the year utilising an automated system to support reporting. Internal Audit leads attend ARAC and see that the tracker is scrutinised at each meeting.

Internal Audit have also undertaken a review towards the end of the year on the Audit Tracker process, this review concluded a reasonable assurance opinion. It was noted that whilst CTMUHB's recommendation tracking process continued during 2024-2025, it has also introduced a new recommendation tracker management system where Health Board Officers have taken the opportunity to review the continued appropriateness of older recommendations where a process or control may have changed meaning the original recommendation has become obsolete.

### *Limited Assurance Reports*

The following section captures a summary of those audit reviews which received a 'Limited Assurance' rating:

#### **1. End of life care management - Draft**

End of life care helps those with advanced, progressive, incurable illness to live as well as possible until they die. It enables the supportive and palliative care needs of both patients and families to be identified and met throughout the last phase of life and into bereavement. The Internal Audit Review work focused on the

arrangements to deliver CTMUHB's key priorities for end of life care, including the training in place, guidance for staff and patients, and the monitoring and reporting arrangements. A limited assurance report was issued as the review raised two high priority findings: one relating to the monitoring against the end of life care action plan; and one for staff training. There were also two medium priority recommendations.

## **2. Digital benefits realisation**

Benefits realisation is the definition, planning, structuring and actual realisation of the benefits of a business change or digital implementation project. The Internal Audit Review identified two high priority findings: CTMUHB did not have a comprehensive framework for project and benefits management; and business cases did not always demonstrate measurable project value. The review also identified two medium priority findings. A limited assurance opinion was issued.

## **3. Additional Medical Pay**

Additional duty hours (ADH) and waiting list initiatives (WLI) - In September 2023 and June 2024, CTMUHB launched rate cards for non-consultant and consultant grade staff, respectively, with an aim to standardise the rates paid to medical staff for ADHs, not just across CTMUHB, but also more widely with other local Health Boards. WLIs are agreed additional sessions/clinics that are undertaken to specifically address waiting list challenges. Consultant grade staff receive additional pay to undertake these sessions. The Internal Audit Review looked at the policies and procedures in place, the approach to bookings, and monitoring and reporting. A limited assurance report was issued, with high priority findings primarily relating to the approach to bookings, however, the review also identified that procedures required updating.

## **4. Medical job planning**

Job plans are mandatory and is a professional and contractual obligation for consultants and employers, and sets out the duties, responsibilities, accountabilities and outcomes of the consultant, and the support and resources provided by the employer for the coming year. CTMUHB uses the Allocate system to capture job plans, where a record of the work that a consultant will undertake for CTMUHB is split by Direct Clinical Care (DCC) and Supporting Professional Activities (SPA). The Internal Audit Review made three high priority recommendations. These related to ensuring that job plans included both personal and service outcomes; that job plans are reviewed and updated each year; and that job plans that are in discussion are agreed in good time. Overall, a limited assurance opinion on this area was issued.

## **5. Capital systems**

The Capital Systems review focused on the selection, appointment and contractual arrangements applied at estates projects (covering both advisers and contracts). Overall, corporate governance arrangements were well established, with Standing Orders, Standard Financial Instructions (SFIs), and other financial control procedures in place. Key strengths include successful applications for Estates Funding Advisory Board (EFAB) monies, Executive Capital Management Group

approvals, and purchase orders secured for the projects that we sampled. Additionally, where contracts were in place, there was effective scrutiny and annotation, demonstrating good practice in quality control and due diligence. However, a limited assurance opinion was issued due to deviations from corporate controls, including CTMUHB's Standards of Behaviour and Standard Financial Instructions.

## **6. Vaccination policy implementation**

The Internal Audit Review audited the vaccination strategy implementation process and CTMUHB's plans for ensuring equity for vaccine uptake. The review identified that, while there were clear strategies in place, there was no overarching implementation or operational plans although specific plans were often produced for individual vaccination campaigns. A limited assurance opinion was issued.

### *CTMUHB response to Limited Assurance Outcomes*

Where there have been Limited Assurance outcomes, CTMUHB is aware of the specific issues identified and have agreed action plans to improve control in these areas. Where a limited assurance report is received, a follow up audit has been commissioned by ARAC for inclusion in the audit programme as appropriate.

Furthermore, where a 'follow up' limited assurance report is received; CTMUHB has ensured the Lead Officer has attended the ARAC as appropriate.

The management response to all assurance reports have and continue to be reviewed by ARAC via the Audit Tracker process, and progress against management actions are monitored at each meeting until all actions have been appropriately implemented.

### *Audit Wales*

#### *Structured Assessment 2024*

**Structured Assessment** - CTMUHB received its Structured Assessment 2024 from Audit Wales in January 2025.

The report's overarching finding was:

*"Overall, we found that the Health Board's governance arrangements are operating generally effectively, but opportunities remain to strengthen them further. The Health Board achieved a financial breakeven position in 2023-2024. However, its focus on achieving this position in 2024-2025 poses some potential risks to the delivery of strategic objectives and solutions designed to achieve longer-term financial sustainability".*

Set out below are some of the key findings from the report:

- *"... the Health Board has a stable and cohesive Board which generally conducts its business appropriately, effectively, and transparently. The introduction of a new committee structure in early 2025 will provide an opportunity to strengthen these arrangements further.*

- ... the Health Board's systems of assurance are operating generally effectively, but opportunities remain to strengthen arrangements further and take urgent action to address overdue recommendations and improvement actions.
- ... while the Health Board has an effective approach to developing corporate strategies and plans, it is experiencing challenges in progressing key elements of its long-term strategy. It also needs to strengthen its approach for monitoring and reporting strategy delivery and impact.
- ... financial planning, management, monitoring, and reporting arrangements are generally effective, but the organisation's focus on addressing its immediate financial challenges is presenting risks to the delivery of longer-term solutions to achieving financial sustainability".

The Structured Assessment Report 2024 for CTMUHB is available on the Audit Wales website, link here: [Cyhoeddiadau | Audit Wales](#)

### [Annual Audit Report 2024](#)

**Audit Wales 2024 Annual Audit Report** – this report was received by the Board at its meeting in March 2025 and the Audit, Risk & Assurance Committee at its February 2025 meeting. A copy of the report is available [here](#). The key findings highlighted in the report are as follows:

- "concluded that the Health Board's 2023-24 accounts were properly prepared and materially accurate, and I therefore issued an unqualified true-and-fair opinion on them. My work did not identify any material weaknesses in the Health Board's internal controls (as relevant to my financial audit).
- However, I qualified my regularity opinion because the Health Board breached its revenue resource limit. For the three-year period 2021-22 to 2023-24, the Health Board expended £24.200 million over the three-year revenue limit that the Welsh Government had authorised. The Health Board did not exceed its authorised capital resource-limit for the for the three-year period 2021-22 to 2023-24.
- I found no other regularity matters of a material adverse nature. I did, however, report that the Health Board did not meet its financial duty to have an approved three-year integrated medium-term plan in place for the period 2023-24 to 2025-26. This financial duty requires health boards to prepare, and have approved by the Welsh Ministers, a rolling three-year integrated medium-term plan.
- I reported seven audit recommendations to the Health Board's Audit and Risk Committee. Management fully accepted all the recommendations and have put actions in place to implement them. I also reported that some past audit recommendations (i.e. prior to the 2023-24 audit) are ongoing actions and remain open. I will review the Health Board's progress with all new or ongoing actions as part of my 2024-25 audit."

## *Audit Wales's National Audit Reports*

The following national audits were issued in 2024-2025 by Audit Wales:

- [The National Fraud Initiative Wales 2022-2023](#) – October 2024
- [Cancer Services in Wales](#) – January 2025
- [Addressing Workforce Challenges in NHS Wales](#) – February 2025

## Conclusion

The system of internal control has been in place up to the date of the approval of this Annual Report and Accounts. There have been no significant internal control or governance issues identified during this period other than those already referenced in this document.

**Paul Mears**

**Chief Executive**

**Date: 26 June 2025**

## Governance Statement Appendices

The following should be shown as appendices rather than in the main body of the Governance Statement:

- a. Table of Welsh Health Circulars
- b. Table of Board Membership and Attendance
- c. Table of Board & Committee Meetings held during 2024-2025
- d. Board and Committee Structure as at 31<sup>st</sup> March 2025

Appendix A - Table of Welsh Health Circulars and Ministerial Directions Received 2024-2025  
Figure 56

Ministerial Direction / Date of Compliance	Date / Year of Adoption	Action to demonstrate implementation/response
<b>WHC 2024 (007)</b> - Guidelines for managing patients on the suspected cancer pathway	April 2024	Updated Guidance relating to the management of patients on a suspected cancer pathway and the reporting of performance against the cancer target.  The updated Guidance (April 2024): <ul style="list-style-type: none"> <li>• Clarifies reporting responsibilities for incidental findings</li> <li>• Provides further clarity on procedures that qualify as first definitive treatment (FDT)</li> <li>• Addresses accessibility issues.</li> </ul> Guidance has been adopted and implemented across CTMUHB.
<b>WHC 2024 (013)</b> - Governance on interim appointments to Executive and Senior Positions	April 2024	Governance arrangements in respect of the appointment of interim and should be read in conjunction with the latest Pay Circulars for the relevant professional group (ESP, Agenda for Change or Medical and Dental).
<b>WHC 2024 (014)</b> - Introduction of the Office of National Statistics' (ONS) Register of Geographic Codes (RGCs) as a foundational standard for use across NHS Wales Bodies.	April 2024	Adoption of the Register of Geographic Codes across NHS Wales bodies as a structural standard for coding geographic data in all IT and digital systems / services.  Register has been implemented across CTMUHB.
<b>WHC 2024 (016)</b> - Healthy Child Wales Programme: for school aged children	April 2024	New unified Operating Model for School Nursing Services which provides a programme of planned universal health contacts for all compulsory school aged children (aged 5-16) in Wales. Health Boards are required to begin implementation of the Operating Model from April 2024 and have fully implemented by March 2026.
<b>WHC 2024 (017)</b> - Implementation of the Non-pay Elements of the 2022-24 Collective Agreement	March 2024	Control framework for the delivery in partnership of certain non-pay elements the development of which were aspects of a collective agreement in 2022-4 and also contributes to and supports the objectives of WHC 2023 (046) 'All-Wales Control Framework for Flexible Workforce Capacity'.  The Framework has been implemented.
<b>WHC 2024 (019)</b> - Interim amendments to the Model Standing Orders for Local Health Boards and NHS Trusts in Wales	April 2024	Interim amendments to the following model documents: <ul style="list-style-type: none"> <li>• Model Standing Orders - Local Health Boards</li> <li>• Model Standing Orders for - NHS Trusts</li> </ul> These amendments supersede those issued on 27 July 2023 and as confirmed in Welsh Health Circular WHC 2023 (032).  Amended Standing Orders approved by the Health Board March 2024.
<b>WHC 2024 (020)</b> - Exemptions for Local Health Boards and NHS Trusts to the requirement to implement recommendations made by the National Institute for Health and Care Excellence or the All Wales Medicines Strategy Group within the usual period, in specified circumstances	May 2024	Amendments to the Directions specifying the implementation period within which Health Boards and NHS trusts in Wales must make medicines and other interventions recommended in National Institute for Health and Care Excellence (NICE) technology appraisals and highly specialised technology assessments, and AWMSG recommendations, available coming into force from 1 May 2024. Report received by Executive Leadership Group on the cost pressures and affects with new medicines – September 2024.

Ministerial Direction / Date of Compliance	Date / Year of Adoption	Action to demonstrate implementation/response
<b>WHC 2024 (021)</b> - Croeso i Gymru / Welcome to Wales: Policy Guidance Framework	November 2024	Policy Guidance Framework that directs a standard for a consistent approach to providing essential information to support Internationally Educated Nurses (IENs) who choose to live and work in Wales.  Policy has been adopted by CTMUHB.
<b>WHC 2024 (022)</b> - Dispute Arbitration Process - Guidance for Disputed Debts (invoices and service agreements) within NHS Wales: 2024/25 - 2026/27	April 2024	The Guidance supersedes Welsh Health Circular (WHC 2019 014) entitled 'Dispute Arbitration Process - Guidance for Disputed Debts (invoices and service agreements) within NHS Wales - 2019/20 - 2020/21'.  Guidance has been adopted and implemented across CTMUHB.
<b>WHC 2024 (024)</b> - Implementation of the agreed approach to preventing Violence and Aggression towards NHS staff in Wales	May 2024	Implementation of the refreshed Obligatory Responses to Violence in Healthcare Document including the requirements to implement and report upon violent incidents as set out in document.  All three actions contained with the WHC have been actioned. Violence and Aggression Case Manager in place.
<b>WHC 2024 (025)</b> - NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2024/25	June 2024	National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2024/25 that details the role for taking this work forward and includes the list of National Clinical Audits and Outcome Reviews which all healthcare organisations must fully participate in when they provide the service.  Annual Plan received by Quality and Safety Committee March 2024 and Audit & Risk Committee June 2024.
<b>WHC 2024 (026)</b> - 2024/25 LHB, SHA & Trust Monthly Financial Monitoring Return Guidance	May 2024	Detailed guidance that sets out the changes made this year to the data requirements and completion principles for Health Board, SHA & Trusts in submitting Monthly Monitoring Returns to Welsh Government. Updated Guidance circulated to relevant staff for monthly submission of monitoring returns.
<b>WHC 2024 (027)</b> - All Wales Critical Care Escalation Guidance for the Management of All Large Unplanned Increases in Demand	June 2024	Guidance for the Management of all large increases in demand and replaces all previous versions of escalation and emergency planning guidance for critical care services issued by the Welsh Government.  Guidance has been adopted and implemented across CTMUHB.
<b>WHC 2024 (028)</b> - The National Influenza Immunisation Programme 2024-25	June 2024	Detailed Guidance for the influenza (flu) vaccination programme for the coming autumn and winter (National Influenza Immunisation Programme 2024-25).  Disseminated to all Primary Care and Vaccination and Immunisation Leads.

Ministerial Direction / Date of Compliance	Date / Year of Adoption	Action to demonstrate implementation/response
<b>Letter dated 27/09/2024 (WHC 2024 (028))</b> - Change to the eligible cohorts for influenza (flu) vaccination - inclusion of poultry and avian flu outbreak response workers at highest risk.	September 2024	The letter sets out the cohorts eligible for a flu vaccine under the Winter Respiratory Vaccination Programme (WRVP) 2024-25 and includes Poultry workers at higher-than-normal risk of contracting avian influenza and avian influenza outbreak response workers aged 18 years and over have now been added to the list of those eligible for a seasonal flu vaccine under this programme from 1 October 2024. WHC/2023/047 has been updated accordingly.  The expectation is that this additional cohort will be vaccinated in community pharmacies under the Winter Respiratory Vaccination Programme 2024-25.  Disseminated to all Primary Care and Vaccination and Immunisation Leads.
<b>WHC 2024 (029)</b> - Certification of Vision Impairment in Primary and Community Care	June 2024	Changes made to the existing Certificate of Vision Impairment Wales (CVIW) form.  Disseminated to all relevant staff within Primary and Community Care.
<b>WHC 2024 (030)</b> - Published Weight Management Medication Pathway	November 2024	The Weight Management Medication Pathway is an addendum to the All Wales Weight Management Pathway and has been produced in response to NICE approval of new medications for weight management. The document should be read in conjunction with the All Wales Weight Management Pathway document and relevant NICE guidance for medication.  Disseminated to all relevant staff within the Weight Management service.
<b>WHC 2024 (031)</b> - Agency Workforce Reduction Programme and Control Framework 2024-25	June 2024	This circular reflects requirements under the following elements: <ul style="list-style-type: none"> <li>• Part 1 – Enhancing Substantive NHS Workforce Supply - provides updates on the actions taken in social partnership to incentivise substantive work for the NHS in Wales and makes the links to requirements and interdependent programmes of work that support the Agency Reduction Programme.</li> <li>• Part 2 – Agency Deployment Control Framework – provides updates on this programme of work to reduce Agency expenditure.</li> <li>• Part 3 – Next steps and ongoing requirements - sets out the next steps and requirements for NHS organisations and arrangements for national monitoring and learning for the remainder of the 2024-25 financial year.</li> </ul> Disseminated to all relevant staff across CTMUHB.
<b>WHC 2024 (032)</b> - Introduction of new NHS Wales vaccination programmes against respiratory syncytial virus (RSV)	June 2024	Introduction of a new NHS Wales vaccination programmes against Respiratory Syncytial Virus (RSV). The immunisation programmes will commence in Wales from September 2024 to protect both infants and older adults.  Disseminated to all Primary Care and Vaccination and Immunisation Leads.
<b>WHC 2024 (033)</b> - The Winter Respiratory Programme 2024/25	August 2024	Detail of the Winter Respiratory Vaccination Programme (WRVP) 2024/25 and expectations for the coming season. The WRVP brings together the COVID-19 and influenza (flu) vaccination programmes.  Programme specific information for the influenza vaccination programme has been published separately in Welsh Health Circulars WHC 2023 (047) and WHC 2024 (028).  Disseminated to all Primary Care and Vaccination and Immunisation Leads

Ministerial Direction / Date of Compliance	Date / Year of Adoption	Action to demonstrate implementation/response
<b>WHC 2024 (034)</b> - Directions to apply the National Framework for the Commissioning of Care and Support in Wales: Code of Practice to local health boards and NHS trusts – August 2024	August 2024	Local Health Boards and NHS Trusts are asked to note the National Framework coming into force on 1 September 2024 and comply with the directions to exercise their functions in accordance with the relevant provisions in the National Framework.  Local Health Boards and NHS Trusts must work collaboratively with local authorities in relation to the partnership and collaborative working requirements and guidance included in the National Framework.  National Framework has been adopted and implemented across CTMUHB from September 2024.
<b>WHC 2024 (035)</b> - Standardising the management of acute deterioration	September 2024	The Circular sets out expectations in relation to standardising the management of acute deterioration; following extensive engagement with stakeholders, the NHS Wales Executive has finalised agreement on the standardisation of Early Warning Scores (EWS) across Wales.  Discussed at the Operational Management Board October 2024 and Leads identified to take this forward.
<b>WHC 2024 (036)</b> - Oxygen Cylinders – Regulation 28 Report and Patient Safety Notice (PSN) 042 reminder	August 2024	A Regulation 28 ' <a href="#">Prevention of future deaths</a> ' coroner's report has been received following the death of a patient in Welsh NHS after the incorrect use of Oxygen CD cylinders manufactured by BOC. The Cabinet Secretary for Health and Social Care has raised several questions following the Regulation 28 report. Whilst these questions have been addressed, further assurance is required, and officials are taking this opportunity to further highlight the issue to all Health Boards and Trusts in Wales. Health Boards and Trusts are required to comply with the actions set out in the letter by the 30 <sup>th</sup> September 2024 to improve compliance with PSN041 and ensure safer patient care throughout the NHS.  Requirements set out in the Circular have been actioned across CTMUHB.
<b>WHC 2024 (037)</b> - Winter Respiratory Framework 2024 to 2025	September 2024	The Framework outlines the Winter Respiratory Framework for this year and requires immediate action.  Framework has been implemented across CTMUHB.
<b>WHC 2024 (038)</b> - AMR & HCAI Improvement Goals for 2024-2025	September 2024	The Circular sets out the improvement goals for 2024/25 reflecting on the data from the previous year and the new targets set out in the new AMR national action plan.  This will remain applicable until replaced by the next iteration in 2025.  Two leads identified and an agreed timescale / plan of action has been implemented.
<b>WHC 2024 (039)</b> - Pre-Transfusion Sample taking Compliance with the confirmatory sample rule	October 2024	Health Boards are requested to ensure they are complying with their policies and procedures in relation to pre-transfusion sample taking to ensure that risk assessments, policies and procedures are being reviewed, updated, and appropriately applied.  Actioned by Transfusion Lead.
<b>WHC 2024 (040)</b> - Adopting a patient and family-initiated escalation approach	October 2024	The Circular sets out the expectations in relation to adopting a patient and family-initiated escalation approach which will enable the patient or their family to call for immediate help and advice if they are worried about instances of deteriorating health. This person-centred approach aligns with health and care quality standards and is integral to improving safety and health outcomes.  New escalation approach has been adopted across CTMUHB.

Ministerial Direction / Date of Compliance	Date / Year of Adoption	Action to demonstrate implementation/response
<b>WHC 2024 (041)</b> - Ambulance patient handover guidance	October 2024	Guidance to set out a statement of intent for Health Boards to deliver when managing the ambulance patient handover process, and to set out key actions for consistent delivery to support optimal outcomes and experience. It has been developed with clinical and operational input and should be read as a second iteration of the original document released in May 2016.  Guidance has been adopted and implemented across CTMUHB.
<b>WHC 2024 (042)</b> - Introduction of the 'Dictionary of medicines and devices'	November 2024 (and January 2025)	Welsh Government is formally mandating the use of the Dictionary of Medicines and Devices as a foundational interoperability standard in all NHS bodies in Wales.  Circulated to all relevant digital and data staff across CTMUHB.
<b>WHC 2024 (043)</b> - Pertussis Vaccine Offer for Healthcare Workers	November 2024	This Circular provides clarity on the operational guidance in relation to the occupational offer of pertussis vaccine to NHS Wales Healthcare workers (HCWs).  Guidance has been implemented across CTMUHB.
<b>WHC 2024 (044)</b> - Mandatory E-Learning Module – Anti-Racism	November 2024	The Anti-racist Wales Action Plan (ArWAP) outlines the vision for becoming an anti-racist nation by 2030. A need was identified in social partnership to provide support to organisations by developing an e-learning module to provide a consistent foundation for awareness and skills development in anti-racism.. This module will support individuals and teams in understanding anti-racism and taking action to support the organization in meeting its anti-racism goals. Completion of this training will be mandatory for all NHS staff, including those who do not directly interact with patients or service users.  Course has been implemented and is accessible via esr.
<b>WHC 2024 (045)</b> - Spotting Sepsis in Children, Awareness Leaflet	November 2024	Awareness Leaflet for Primary Care providers, Community Pharmacies, and Community Nursing teams to issue this to parents and care providers to help them look for the signs and symptoms of sepsis.  Disseminated to all relevant staff within Primary and Community Care.
<b>WHC 2024 (046)</b> - Influenza (flu) Vaccination Programme deployment 'mop up' 2024- 2025	December 2024	Guidance for Health Boards to support Primary Care services with targeted flu 'mop up'. The intention is to maximise uptake in all adult groups, particularly those in a clinical risk group.  Disseminated to all Primary Care and Vaccination and Immunisation Leads
<b>WHC 2024 (047)</b> - COVID-19 spring vaccination programme 2025	December 2024	Latest advice from the Joint Committee on Vaccination and Immunisation (JCVI), which has advised a spring COVID-19 vaccination should be offered to the most vulnerable citizens in 2025.  Disseminated to all Primary Care and Vaccination and Immunisation Leads
<b>WHC 2024 (050)</b> - Infected Blood Inquiry: Implementation of Recommendation 8a and 8b	December 2024	Following the publication of the Infected Blood Inquiry (IBI) report and its recommendations on 20 May 2024, there are two specific recommendations for Health Boards to take forward for patients who may have had a blood transfusion (Recommendations 8a & 8b).  Service Director for Primary Care and Community care group taking forward the actions and disseminated to all GP practices.

Ministerial Direction / Date of Compliance	Date / Year of Adoption	Action to demonstrate implementation/response
<b>WHC 2024 (051)</b> - 2025-26 Health Board Allocations	February 2025	Welsh Government Allocation letter specifying the initial funding settlement for Health Boards in 2025-26. It should be considered in conjunction with and used to develop plans to deliver against the priorities set out in the NHS Wales Planning Framework 2025-28.  For information.
<b>WHC 2024 (022)</b> - Disputed Debts between NHS Organisations	February 2025	Guidance for NHS Trust, Local Health Boards and Special Health Authorities on how to deal with debt disputes.  Guidance has been adopted across CTMUHB.
<b>WHC 2025 (001)</b> - NHS Wales Sustainability Conference and Awards 2025	March 2025	The NHS Wales Sustainability Conference and Awards has been established to promote the principles of sustainable healthcare and support the incorporation of sustainable practices into clinical care. Further to the success of the inaugural event in 2024, the second NHS Wales Sustainability Conference and Awards has been arranged to take place on 20th June 2025 at Swansea Arena.  For information.
<b>WHC 2025 (002)</b> - Timelines and Responsibilities for the Implementation of Early Warning Scores (EWS) to identify Acute Deterioration	February 2025	This WHC identifies the timelines and organisational responsibilities for implementing the National Early Warning Score 2 (NEWS2), Paediatric Early Warning Score (PEWS), Neonatal Early Warning Trigger and Track (NEWTT2), and Maternity Early Warning Score (MEWS).  Circular has been disseminated to all relevant staff and implemented across CTMUHB.
<b>WHC 2025 (005)</b> - Climate Emergency Spread & Scale Leadership Day & Adaptation	March 2025	In line with A Healthier Wales refreshed actions, NHS organisations must embed action on the climate emergency in decision-making and plans building on their existing Decarbonisation Action Plans to develop broader 'Climate Response Plans' that cover both emission reduction and adaptation action.  Work on-going to have plans in place prioritising short and longer term actions by 31 December 2025.
<b>WHC 2025 (007)</b> - Amendments following interim review to the Model Standing Orders for Local Health Boards, NHS Trusts and Special Health Authorities in Wales	March 2025	The Local Health Boards, NHS Trusts and Special Health Authorities (Constitution, Membership and Procedures) (Miscellaneous Amendments) (Wales) Regulations 2024 came into force on the 20 January 2025. These Regulations amended the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009, The Public Health Wales National Health Service Trust (Membership and Procedure) Regulations 2009, The National Health Service Trusts (Membership and Procedure) Regulations 1990 and The Health Education and Improvement Wales Regulations 2017.  Actioned and revised Standing Orders approved by the Health Board in March 2025.

Figure 57

Delivery Plan Enactment	Date/Year of Adoption	Status
<p><b>WG24 10</b> - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2024</p> <ul style="list-style-type: none"> <li>– Directions to local health boards on amendments to the general medical services contract.</li> </ul>	April 2024	Enacted
<p><b>WG24 17</b> – The Directions to Local Health Boards and NHS Trusts in Wales 2003 and the Managed Introduction of New Medicines into the National Health Service in Wales Directions 2009 (Amendment) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The amendment Directions provide details of exemptions for the New Treatment Fund.</li> </ul>	May 2024	Enacted
<p><b>WG24 20</b>- The Primary Medical Services (Directed Supplementary Services) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– These directions enable local health boards to commission supplementary services.</li> </ul>	June 2024	Enacted
<p><b>WG24 21</b> - The Primary Medical Services (Pertussis Immunisation for Pregnant and Post-natal Women) (Directed Supplementary Services) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The directions allow for pregnant and post-natal women to receive the pertussis vaccine.</li> </ul>	June 2024	Enacted
<p><b>WG24 22</b> - The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Supplementary Services) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The directions set out the requirements for the influenza and pneumococcal immunisation programme.</li> </ul>	June 2024	Enacted
<p><b>WG24 23</b> - The Primary Medical Services (Oral Anti-coagulation with Warfarin) (Directed Supplementary Service) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The directions allow local health boards to use an oral anti-coagulation with Warfarin scheme.</li> </ul>	June 2024	Enacted
<p><b>WG24 24</b> - The Primary Medical Services (Hormone Treatment Scheme for Adult Transgender Patients) (Directed Supplementary Service) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The directions allow local health boards to use a hormone treatment scheme for adult transgender patients.</li> </ul>	June 2024	Enacted
<p><b>WG24 25</b> - The Primary Medical Services (Antivirals for Prophylaxis of Seasonal Influenza in Care Home Outbreaks) (Directed Supplementary Service) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The directions allow for the prescribing of antivirals for seasonal influenza in care homes.</li> </ul>	June 2024	Enacted
<p><b>WG24 No. 26</b> - The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The directions allow local health boards to use type 2 diabetes mellitus care scheme for adults.</li> </ul>	June 2024	Enacted
<p><b>WG24 26</b> - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2024</p> <ul style="list-style-type: none"> <li>– Fee scales for dispensing doctors from 1 October 2024 to 31 March 2025 and from 1 April 2025.</li> </ul>	November 2024	Enacted
<p><b>WG24 28</b> - The Alternative Provider Medical Services (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>– The Directions allow local health boards to enter into a contract for primary medical services with any person.</li> </ul>	July 2024	Enacted

<b>Delivery Plan Enactment</b>	<b>Date/Year of Adoption</b>	<b>Status</b>
<p><b>WG24 38</b> - The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2024</p> <ul style="list-style-type: none"> <li>- The Directions allow local health boards to enter into arrangements for delivery of RSV vaccination.</li> </ul>	September 2024	Enacted
<p><b>WG24 39</b> - The Directions to Local Health Boards and NHS Trusts in Wales on the National Framework for Commissioning Care and Support 2024</p> <ul style="list-style-type: none"> <li>- Directions to local health boards and NHS trusts to comply with the national framework.</li> </ul>	September 2024	Enacted
<p><b>WG24 42</b> - The Pharmaceutical Services (Clinical Services) (Wales) (Amendment) Directions 2024</p> <ul style="list-style-type: none"> <li>- The Directions set out amendments to the requirements for the provision of clinical pharmaceutical services in Wales.</li> </ul>	October 2024	Enacted
<p><b>WG24 43</b> - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2024</p> <ul style="list-style-type: none"> <li>- Directions to local health boards on amendments to the general medical services contract.</li> </ul>	October 2024	Enacted
<p><b>WG24 49</b> - The Local Health Board Medical Services (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>- The directions state requirements for local health boards providing primary medical services themselves.</li> </ul>	December 2024	Enacted
<p><b>WG24 53</b> - The Primary Medical Services (Complex Multi-Morbidity and Frailty) (Directed Supplementary Service) (Wales) Directions 2024</p> <ul style="list-style-type: none"> <li>- GPs can support the management and ongoing monitoring of patients at high risk of admission or re-admission to hospital.</li> </ul>	December 2024	Enacted
<p><b>WG25 02</b> - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025</p> <ul style="list-style-type: none"> <li>- These directions raise payments to dental foundation trainees and trainers for 2022 to 2023.</li> </ul>	January 2025	Enacted
<p><b>WG25 03</b> - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2025</p> <ul style="list-style-type: none"> <li>- These directions raise payments to dental foundation trainees and trainers for 2022 to 2023.</li> </ul>	January 2025	Enacted
<p><b>WG25 04</b> - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025</p> <ul style="list-style-type: none"> <li>- Rises in NHS dental contract payments and payments to dental foundation trainees and trainers for 2023 to 2024.</li> </ul>	January 2025	Enacted
<p><b>WG25 05</b> - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025</p> <ul style="list-style-type: none"> <li>- Rises in NHS dental contract payments and payments to dental foundation trainees and trainers for 2023 to 2024.</li> </ul>	January 2025	Enacted
<p><b>WG25 06</b> - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2025</p> <ul style="list-style-type: none"> <li>- Directions to local health boards on amendments to the general medical services contract.</li> </ul>	February 2025	Enacted
<p><b>WG25 07</b> - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025</p> <ul style="list-style-type: none"> <li>- Rises in NHS dental contract payments and payments to dental foundation trainees and trainers for 2024 to 202</li> </ul>	February 2025	Enacted

Delivery Plan Enactment	Date/Year of Adoption	Status
<p><b>WG25 08</b> - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025</p> <ul style="list-style-type: none"> <li>- Rises in NHS dental contract payments and payments to dental foundation trainees and trainers for 2024 to 2025.</li> </ul>	February 2025	Enacted
<p>Statement of General Ophthalmic Services Remuneration and Fee Directions</p> <ul style="list-style-type: none"> <li>- The statement provides for the normal general ophthalmic services payments and claims process.</li> </ul>	February 2025	Enacted
<p><b>WG25-12</b> - The Wales Infected Blood Support Scheme (Amendment) Directions 2025</p> <ul style="list-style-type: none"> <li>- Increased ex-gratia payments for 2025 to 2026 for beneficiaries on the Wales Infected Blood Support Scheme.</li> </ul>	March 2025	Enacted

Appendix B - Table of Board Membership and Attendance  
Figure 58

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2024/2025	CHAMPION ROLE*
Jonathan Morgan	Chair	Public Board In Committee Board Remuneration & Terms of Service Committee (Chair)	8/8 3/5 3/5	Not Applicable
Kath Palmer	Vice-Chair	Public Board In Committee Board Remuneration & Terms of Service Committee (Vice-Chair) Mental Health Act Monitoring Committee Strategic Development Committee Strategic Development Committee In Committee Audit & Risk Committee Audit & Risk In Committee Hosted Bodies Audit & Risk Committee Quality & Safety Committee Quality & Safety Committee In Committee Digital & Data Committee Digital & Data Committee In Committee Population Health & Partnerships Committee Population Health & Partnerships In Committee	7/8 3/5 4/5 4/4 1/2 0/1 6/7 5/6 5/6 5/6 4/5 2/3 2/3 1/3 1/1	Mental Health, Children & Young People
Patsy Roseblade	Independent Member  (Finance)	Public Board In Committee Board Remuneration & Terms of Service Committee Charitable Funds Committee (Public) Charitable Funds Committee (In Committee) Operational Delivery Committee Operational Delivery In Committee Audit and Risk Committee (Chair) In Committee Audit & Risk Committee Hosted Bodies Audit & Risk Committee Quality and Safety Committee Quality and Safety In Committee Planning, Performance & Finance Committee Planning, Performance and Finance Committee In Committee	7/8 5/5 4/5 2/3 0/2 1/1 1/1 7/7 6/6 6/6 5/6 4/5 2/4 1/3	Not Applicable
Helen Lentle	Independent Member (Legal)	Public Board In Committee Board Remuneration & Terms of Service Committee Charitable Funds Committee (Public) Charitable Funds Committee (In Committee) Mental Health Act Monitoring Committee Audit, Risk & Assurance Committee In Committee Audit, Risk & Assurance Committee Hosted Bodies Audit, Risk & Assurance Committee Quality and Safety Committee Quality & Safety Committee In Committee	7/8 5/5 3/5 2/2 2/2 3/4 1/1 1/1 1/1 5/5 3/4	Equality, Putting Things Right

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2024/2025	CHAMPION ROLE*
Cllr Geraint E Hopkins	Independent Member (Local Authority)	Public Board In Committee Board Remuneration and Terms of Service Committee Mental Health Act Monitoring Committee Audit & Risk Committee In Committee Audit & Risk Committee Hosted Bodies Audit & Risk Committee People & Culture Committee People & Culture Committee In Committee	5/8 (2IP) 1/5 2/5 3/4 4/6 (1IP) 4/5 2/5 3/3 1/1	Older Persons
Carolyn Donoghue	Independent Member (University)	Public Board In Committee Board Remuneration & Terms of Service Committee Strategic Development Committee Strategic Development Committee In Committee Quality & Safety Committee Quality & Safety Committee In Committee Planning, Performance & Finance Committee In Committee Planning, Performance & Finance Committee Population Health & Partnerships Committee (Chair) Population Health & Partnerships Committee In Committee Digital & Data Committee Digital & Data Committee In Committee	6/8 3/5 3/5 1/2 0/1 6/6 5/5 4/4 3/3 3/3 1/1 3/3 3/3	Research & Development
Rachel Rowlands	Independent Member (Community)	Public Board In Committee Board Remuneration and Terms of Service Committee Charitable Funds Committee (Public) Charitable Funds Committee (In Committee) Mental Health Act Monitoring Committee Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Strategic Development Committee In Committee Audit & Risk Committee Planning, Performance and Finance Committee Planning, Performance and Finance Committee In Committee Population Health and Partnerships Committee Population Health and Partnerships Committee In Committee	6/8 4/5 3/5 2/2 1/1 2/3 1/1 1/1 2/2 1/1 1/1 3/4 2/3 3/3 1/1	
Lynda Thomas	Independent Member (Corporate Business/General) (until 11 August 2024)	Public Board In Committee Board Remuneration & Terms of Service Committee Charitable Funds Committee (Public) Charitable Funds (In Committee) Digital & Data Committee Digital & Data Committee In Committee People & Culture Committee Population Health & Partnerships Committee Population Health & Partnerships Committee In Committee	2/4 0/1 N/A 1/1 2/2 1/1 (1ip) 1/1 (1ip) 1/2 2/2 (1ip) 1/1	Welsh Language
Nicola Milligan	Independent Member (Trade Union until 18 August 2024)	Board In Committee Board Remunerations and Terms of Service Committee Quality and Safety Committee In Committee Quality & Safety Committee People and Culture Committee	3/4 1/1 1/1 2/2 1/1 2/2	Infection Prevention and Control

		Planning, Performance and Finance Committee Planning, Performance & Finance Committee In Committee	2/2 1/1	
<b>BOARD MEMBER</b>	<b>POSITION (AREA OF EXPERTISE)</b>	<b>BOARD/ BOARD COMMITTEE</b>	<b>BOARD / BOARD COMMITTEE ATTENDANCE 2024/2025</b>	<b>CHAMPIONROLE*</b>
Hayley Proctor	Independent Member  (Trade Union) (from 1 October 2024)	Public Board In Committee Board Remunerations and Terms of Service Committee Mental Health Act Monitoring Committee Quality and Safety Committee Quality & Safety Committee In Committee People and Culture Committee People & Culture Committee In Committee Planning, Performance and Finance Committee Planning, Performance & Finance Committee In Committee	3/3 3/4 3/3 1/1 3/3 3/3 1/1 1/1 1/1 1/1 1/1	
Ian Wells	Independent Member  (ICT and Governance)	Public Board In Committee Board Remuneration and Terms of Service Committee Charitable Funds Committee (Public) Charitable Funds Committee (In Committee) Audit and Risk Committee In Committee Audit and Risk Committee Hosted Bodies Audit and Risk Committee Digital and Data Committee (Chair) Digital and Data Committee In Committee Population Health & Partnerships Committee Population Health & Partnerships Committee In Committee	7/8 5/5 2/5 3/3 1/2 7/7 6/6 6/6 3/3 3/3 1/3 0/1	Not Applicable
Dilys Jouvenat	Independent Member(Third Sector)	Public Board In Committee Board Remunerations and Terms of Service Committee Charitable Funds Committee (Public) Charitable Funds Committee (In Committee) Mental Health Act Monitoring Committee Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Audit, Risk & Assurance Committee In Committee Audit, Risk & Assurance Committee Hosted Bodies Audit, Risk & Assurance Committee Quality and Safety Committee Quality & Safety Committee In Committee People and Culture Committee People and Culture Committee In Committee Planning, Performance & Finance Committee Planning, Performance & Finance Committee In Committee	8/8 5/5 3/5 1/1 1/1 3/3 1/1 1/1 1/1 1/1 1/1 1/1 1/1 2/4 1/3 3/3 1/1 4/4 3/3	Raising Staff Concerns
Paul Mears	Chief Executive	Public Board In committee Board Remuneration and Terms of Service Committee	8/8 5/5 4/5	Not applicable

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2024/2025	CHAMPION ROLE*
Sally May	Executive Director of Finance and Procurement	Public Board In Committee Board Charitable Funds Committee (Public) Charitable Funds Committee (In Committee) Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Strategic Development Committee In Committee Audit and Risk Committee In Committee Audit and Risk Committee Hosted Bodies Audit and Risk Committee Planning, Performance and Finance Committee Planning, Performance and Finance Committee In Committee	7/8 4/5 3/3 2/2 1/1 1/1 2/2 1/1 7/7 5/6 6/6 3/4 2/3	Not applicable
Philip Daniels	Director of Public Health	Public Board In Committee Board Strategic Development Committee Strategic Development Committee In Committee Quality and Safety Committee Quality and Safety Committee In Committee Population Health and Partnerships Committee Population Health and Partnerships Committee In Committee	8/8 4/5 2/2 1/1 6/6 (2ip) 3/5 3/3 1/1	Research & Development
Greg Dix	Executive Director of Nursing/Deputy Chief Executive	Public Board In Committee Board Operational Delivery Committee Quality and Safety Committee Quality and Safety Committee In Committee People and Culture Committee People and Culture Committee In Committee	6/8 3/5 0/1 3/6 (2ip) 2/5 (1ip) 3/3 1/1	Children and Young People Putting Things Right Baby Friendly Guardian
Hywel Daniel	Executive Director for People	Public Board In Committee Board Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Strategic Development Committee In Committee Remuneration and Terms of Service Committee Quality and Safety Committee Quality and Safety Committee In Committee People and Culture Committee People and Culture Committee In Committee	7/8 (1ip) 5/5 1/1 1/1 2/2 1/1 5/5 2/4 (1ip) 0/3 3/3 1/1	Fire Safety Violence and Aggression Raising Staff Concerns Welsh Language
Gethin Hughes	Chief Operating Officer	Public Board In Committee Board Mental Health Act Monitoring Committee (Deputy COO/Director of Primary Care and Mental Health attends this meeting on behalf of the COO) Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Strategic Development Committee In Committee Quality and Safety Committee Quality and Safety Committee In Committee Planning, Performance and Finance Committee Planning, Performance and Finance Committee In Committee Population Health and Partnerships Committee	6/8 (2ip) 5/5 4/4  1/1 1/1 2/2 1/1 5/6 (1ip) 4/5 4/4 3/3 3/3 (1ip)	Not Applicable

<b>BOARD MEMBER</b>	<b>POSITION (AREA OF EXPERTISE)</b>	<b>BOARD/ BOARD COMMITTEE</b>	<b>BOARD / BOARD COMMITTEE ATTENDANCE 2024/2025</b>	<b>CHAMPIONROLE*</b>
		Population Health and Partnerships Committee In Committee	0/1	
Dom Hurford	Medical Director	Public Board In Committee Board Quality and Safety Committee Quality and Safety Committee In Committee	5/8 (1ip) 3/5 3/6 (1ip) 3/5	Caldicott Guardian
Lauren Edwards	Executive Director of Allied Health Professionals and Health Sciences	Public Board In Committee Board Strategic Development Committee Strategic Development Committee In Committee Quality and Safety Committee Quality and Safety Committee In Committee Population Health and Partnerships Committee Population Health and Partnerships Committee In Committee	8/8 5/5 2/2 1/1 5/6 (1ip) 4/5 3/3 0/1	Stroke Services
Stuart Morris	Director of Digital	Public Board In Committee Board Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Strategic Development Committee In Committee Digital & Data Committee Digital and Data Committee In Committee	6/8 4/5 1/1 IP 1/1 2/2 1/1 3/3 3/3	Not applicable
Simon Blackburn	Director of Communications, Engagement and Fundraising (from July 2023)	Public Board In Committee Board Charitable Funds Committee (Public) Charitable Funds Committee (In Committee)	7/8 (1ip) 5/5 3/3 2/2	Not applicable
Linda Prosser	Executive Director of Strategy & Transformation	Public Board In Committee Board Operational Delivery Committee Operational Delivery Committee In Committee Strategic Development Committee Strategic Development Committee In Committee Planning, Performance and Finance Committee Planning, Performance and Finance Committee In Committee Population Health and Partnerships Committee Population Health and Partnerships Committee In Committee	7/8 (1ip) 3/5 1/1 IP 1/1 2/2 1/1 4/4 (2ip) 2/3 3/3 0/1	Emergency Planning
Gareth Watts	Director of Governance/Board Secretary (From September 2023)	Public Board In Committee Board Remuneration & Terms of Services Committee Audit & Risk Committee In Committee Audit & Risk Committee Hosted Bodies Audit & Risk Committee	7/8 3/5 4/5 6/7 5/6 5/6	Not applicable

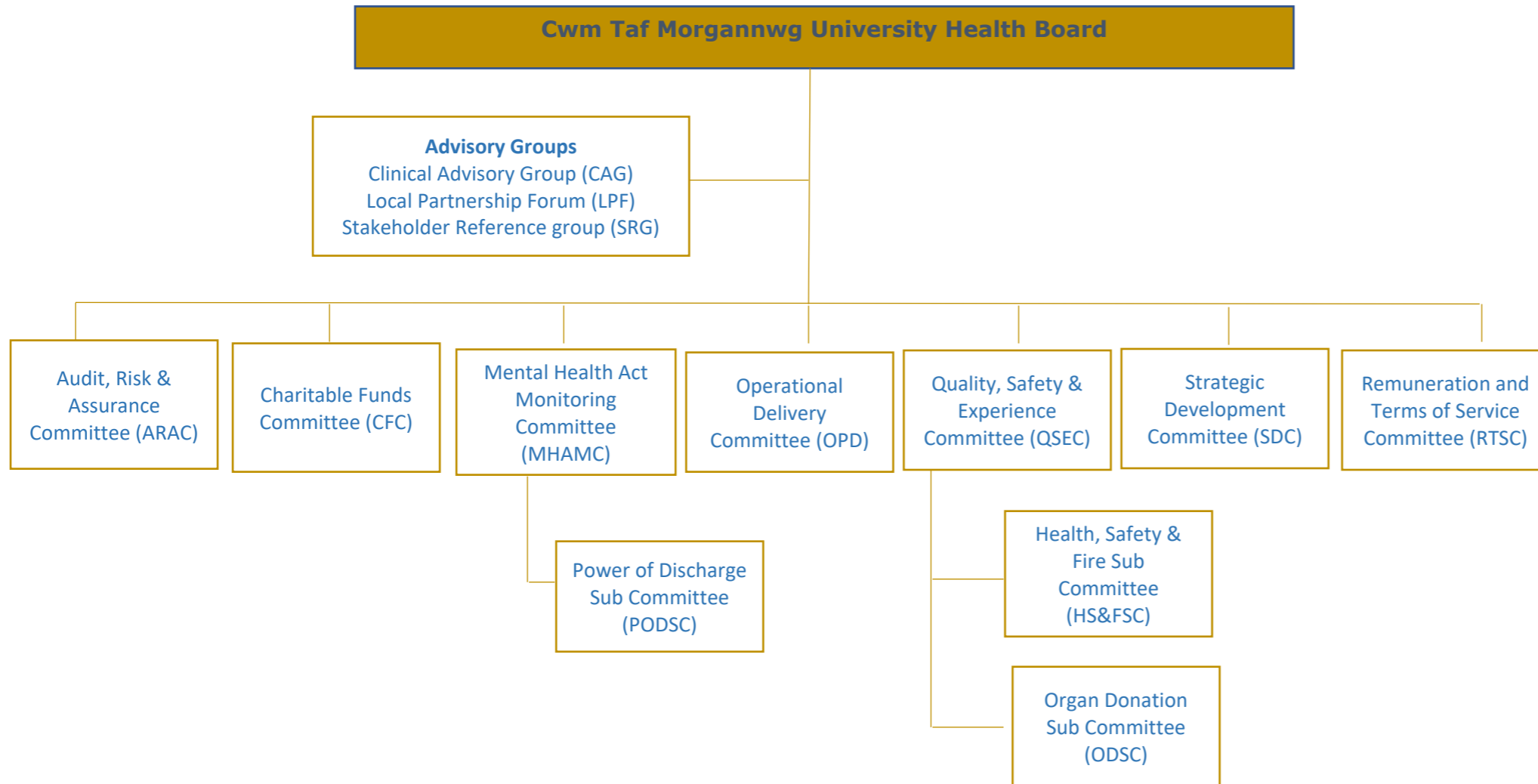
• \* IP - Denotes attended In Part

Appendix C to the Governance Statement - Table of Board & Committee Meetings held during 2024-2025  
Figure 59

Board/Committee								
<b>Board Meeting (held in public)</b>	09/04/24 EO Board	30/5/24	11/7/24 EO Board	25/07/24	26/9/24	28/11/24	30/01/25	27/03/25
<b>Board Meeting (held in private)*</b>	30/5/24	17/10/24	31/10/24	28/11/24	27/03/25			
<b>Audit and Risk Committee</b>	18/04/24	20/06/24	10/07/24	15/08/24	17/10/24	17/12/24	13/02/25	
<b>Audit and Risk In Committee</b>	18/04/24	20/06/24	15/08/24	17/10/24	17/12/24	13/02/25		
<b>Audit &amp; Risk Committee Hosted Bodies</b>	18/04/24	20/06/24	15/08/24	17/10/24	17/12/24	13/02/25		
<b>Charitable Funds Committee</b>	23/04/24	23/10/24	22/01/25					
<b>Charitable Funds In Committee</b>	23/04/24	01/08/24						
<b>Quality and Safety Committee</b>	16/05/24	23/07/24	18/09/24	19/11/24	21/01/25	25/03/25		
<b>Quality &amp; Safety In Committee</b>	16/05/24	18/09/24	19/11/24	21/01/25	25/03/25			
<b>Planning, Performance and Finance Committee</b>	30/04/24	25/06/24	27/08/24	14/11/24				
<b>Planning, Performance and Finance In Committee</b>	30/04/24	27/08/24	14/11/24					
<b>People and Culture Committee</b>	15/04/24	07/08/24	05/12/24					
<b>People and Culture In Committee</b>	05/12/24							
<b>Population Health and Partnerships Committee</b>	20/05/24	01/08/24	13/11/24					
<b>Population Health and Partnerships In Committee</b>	20/05/24							
<b>Digital and Data Committee</b>	21/05/24	28/08/24	29/11/24					
<b>Digital &amp; Data In Committee</b>	21/05/24	28/08/24	29/11/24					
<b>Mental Health Act Monitoring Committee</b>	05/06/24	04/09/24	04/12/24	19/02/25				
<b>Remuneration and Terms of Service Committee</b>	14/08/24	11/09/24	17/10/24	05/02/25	13/03/25			
<b>Strategic Development Committee</b>	16/01/25	13/03/25						
<b>Strategic Development In Committee</b>	13/03/25							
<b>Operational Delivery Committee</b>	28/01/25							
<b>Operational Delivery In Committee</b>	28/01/25							

\* Where it was necessary to hold a Board Meeting in-committee the nature of this was reported to the next available Board Meeting held in public. Board Development Sessions were also held, generally in the months when Board meetings in public were not scheduled.

Figure 60



## Remuneration and Staff Report

This Remuneration and Staff Report contains information about senior manager's remuneration. The definition of "Senior Managers" for this purpose is:

*"Those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments."*

CTMUHB is required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in CTMUHB in the financial year 2024-2025 was £230,000 - £235,000 (2023-2024, £220,000 - £225,000). This was 6.1 times the median remuneration of the workforce, which was £38,000 (2024-2025).

In 2024-2025, 29 employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £3,000 to £362,000.

Total remuneration includes salary and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

In establishing the highest paid Director (Chief Executive), account has been taken of the remuneration received by Directors with clinical and director responsibilities.

The pay and terms and conditions of employment for the Executive Team and Very Senior Managers (VSM) who are paid on the Executive Senior Pay (ESP) pay scale are determined by the Welsh Government and CTMUHB pays these salaries in accordance with regulations. For clarity, these are posts which operate at Board level and hold either statutory or non-statutory positions.

In accordance with the regulations, CTMUHB is unable to award increment uplifts within the ESP pay scale. Should a pay increase be considered outside of the range, a job description must be submitted to Welsh Government to be job evaluated. There are clear guidelines in place with regard to the awarding of additional increments. During 2024-2025, CTMUHB has not agreed any additional increments for their Very Senior Managers.

The Remuneration and Terms of Service Committee also considers and approves applications relating to the Voluntary Early Release Scheme (VERS). The Committee's members are all Independent Board Members, including its Chair who is also the Chair of CTMUHB. Membership details are set out on page 172 onwards. No VERS applications were received and approved by the Committee in 2024-2025.

Existing public sector pay arrangements apply to all other staff including members of the Executive Team. The performance of members of the Executive Team are assessed against personal objectives and against the overall performance of CTMUHB. All Executive Directors have the option to have a lease car, under the terms of the salary sacrifice lease car agreement.

The Chief Executive and Executive Directors are employed on permanent contracts, which can be terminated by giving due notice, unless for reason of misconduct.

CTMUHB's constitution consists of the Chair, the Chief Executive, the Executive Directors and the Independent Members, the Chief Operating Officer and the Director of Corporate Governance / Board Secretary. Full details of senior managers' remuneration are shown later in the report on page 184 onwards.

### Board Composition by Gender

Figure 61

Board Member Gender at 21 March 2024	Female	Male
<b>Independent Member</b>	7	3
<b>Associate Board Members</b>	3	0
<b>Executive Directors / Directors</b>	3	9

### Staff Composition by Gender

This figure represents the composition by gender as at 31 March 2025.

Figure 62

Employee Gender	Head Count	Full-time Equivalent	% of Headcount
<b>Female</b>	10,690	9,152.20	81.03%
<b>Male</b>	2,502	2,349.10	18.97%
<b>Total</b>	<b>13,192</b>	<b>11,501.30</b>	<b>100.00%</b>

## Staff Composition by Staff Group

During 2024-2025 the average whole-time equivalent (FTE) number of staff permanently employed was 11,332.50. The average number of employees is calculated a full-time equivalent number of employees in each week of the financial year, divided by the number of weeks in the financial year.

Figure 63

Staff Group at 31 March 2024	Female		Male		Totals	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
<b>Add Prof Scientific and Technical</b>	327	283.09	97	84.29	424	367.38
<b>Additional Clinical Services</b>	2,208	1,861.21	354	328.98	2,562	2,190.20
<b>Administrative and Clerical</b>	2,196	1,862.79	418	400.18	2,614	2,262.97
<b>Allied Health Professionals</b>	679	609.67	182	178.40	861	788.07
<b>Estates and Ancillary</b>	828	584.40	448	413.46	1,276	997.86
<b>Healthcare Scientists</b>	131	121.22	89	87.64	220	208.86
<b>Medical and Dental</b>	356	314.30	528	492.80	884	807.10
<b>Nursing and Midwifery Registered</b>	3,798	3,378.98	338	320.00	4,136	3,698.99
<b>Students</b>	10	9.40	2	1.69	12	11.08
<b>Total</b>	<b>10,532</b>	<b>9,025.07</b>	<b>2,456</b>	<b>2,307.43</b>	<b>12,988</b>	<b>11,332.50</b>

## Sickness Absence Data

Figure 64

Absence %	
% March 2025	Rolling % at 31 March 2025
6.44%	6.89%

Figure 65

Sickness Absence Data	2023 -2024	2024 - 2025
Total days lost (long-term)	243,555.25	210,739.48
Total days lost (short-term)	84,997.91	74,245.74
Total days lost	328,533.16	284,985.22
Total staff years lost (average staff employed in period – full-time equivalent)	11,077.39	11,332.50
Average Working days lost	24.91	25.15
Total staff employed in period (headcount)	12,789	12,988
Total staff employed in period with no absence (headcount)	4,253	4,229
Percentage of staff with no sick leave	32.51	32.56

CTMUHB’s 2024-2025 sickness absence rate was 6.44% at the end of March 2025. CTMUHB did not achieve the Welsh Government’s sickness absence target of 4.75 or less in year, missing the target by 1.69%. However, the March 2025 figure did show a very slight decrease in CTMUHB’s overall sickness absence rates, when compared to the March 2024 rate of 6.45%. During 2024-2025, the number of long-term sickness absences and short-term sickness absences did decrease slightly, however, it is recognised that more work needs to be done in this area to meet the Welsh Government’s target.

The top three reasons for sickness absence were;

1. Anxiety/stress/depression/other psychiatric illnesses;
2. other known causes not elsewhere classified; and
3. musculoskeletal problems.

The top three recorded reasons for sickness absence remained unchanged, as expected, given the pressured environment our staff have been working in for an extended period, since 2020. CTMUHB will be undertaking work in 2025-2026, to reduce the number of absences being recorded on ESR, under code S98, “Other known causes - not elsewhere classified”, to ensure all reasons for absence are accurately recorded and reportable.

CTMUHB managers continue to manage sickness absence in accordance with the NHS Wales Managing Attendance at Work Policy. Our managers work closely with the People Services Team and Trade Union colleagues, to provide their staff with support and to signpost them to appropriate services, to assist with their recovery and return to work, wherever possible. CTMUHB’s Wellbeing Service provides a wide range of evidence-based interventions, to assist staff to proactively manage and address any underlying physical and or psychological health issues, which are requiring them to take time of work due to sickness.

## People Policies

During 2024-2025, the 'Partnership People Policy Review Group' reviewed and approved a total of 10 staff policies and procedures. In 2025-2026, the group will work with managers and staff to ensure that when developing new or reviewing existing policies, that they meet their needs, in terms of being principles based, written in plain English, in a short and concise format and providing managers with discretion, where applicable, to respond sensitively and compassionately to their staff. The group will continue to work on developing progressive policies, to enable CTMUHB to provide our staff with an excellent employee experience, in keeping with our values. All staff policies can be access by managers and staff via the policy SharePoint page or via the People Services Team.

In accordance with the legislation, all staff policies and procedures are equality impact assessed against the nine protected characteristics. In 2024 - 2025, CTMUHB developed and introduced a new joint 'Equality and Welsh Language Impact Assessment Tool', with takes a step further, to ensure that we do not discriminate or disadvantage any individual, on any grounds. All CTMUHB staff policies and procedures are available by contacting:

[CTM Corporate Governance@wales.nhs.uk](mailto:CTM_Corporate_Governance@wales.nhs.uk).

## Reporting of Other Compensation Schemes

In accordance with the provisions of the NHS Redundancy Scheme and legislation some costs were incurred by CTMUHB in 2024 - 2025. During this period, no costs were incurred in respect of the Voluntary Early Release Scheme (VERS). The NHS Pension Scheme met the cost of ill-health retirements, which are not included in the tables provided. No staff received an exit payment during in 2024-2025.

Figure 66

<b>Single Total Figure of Remuneration 2024-25</b>	<b>Salary</b>	<b>Benefits in kind (taxable)</b>	<b>Pension benefits</b>	<b>Total</b>
	<b>(bands of £5,000)</b>	<b>to nearest £100</b>	<b>to nearest £1000</b>	<b>(bands of £5,000)</b>
<b>Executive Directors</b>	<b>£000</b>	<b>£00</b>	<b>£000</b>	<b>£000</b>
<b>Paul Mears</b> <i>Chief Executive</i>	230-235	0	85	315-320
<b>Sally May</b> <i>Director of Finance (Note 1)</i>	175-180	0	3	175-180
<b>Dom Hurford</b> <i>Medical Director</i>	205-210	11	60	265-270
<b>Greg Dix</b> <i>Nurse Director (Deputy CEO)</i>	160-165	2	89	250-255
<b>Linda Prosser</b> <i>Director of Strategy &amp; Transformation</i>	155-160	0	63	215-220
<b>Hywel Daniel</b> <i>Director of People</i>	145-150	19	58	205-210
<b>Philip Daniels</b> <i>Director of Public Health</i>	130-135	15	32	165-170
<b>Lauren Edwards</b> <i>Director of Therapies and Health Sciences</i>	120-125	17	42	165-170
<b>Gethin Hughes</b> <i>Chief Operating Officer</i>	145-150	11	0	145-150
<b>Directors</b>				
<b>Stuart Morris</b> <i>Director of Digital</i>	115-120	14	51	165-170
<b>Gareth Watts</b> <i>Director of Corporate Governance/ Board Secretary</i>	125-130	0	33	155-160
<b>Simon Blackburn</b> <i>Director of Communications, Engagement and Fundraising</i>	105-110	0	42	145-150
<b>Independent Members</b>				
<b>Jonathan Morgan</b> <i>Chair</i>	60-65	0		60-65
<b>Kath Palmer</b> <i>Vice-Chair</i>	55-60	0		55-60
<b>Helen Lentle</b> <i>Independent Member (Legal)</i>	15-20	0		15-20
<b>Dilys Jouvenat</b> <i>Independent Member (Third Sector)</i>	15-20	0		15-20
<b>Rachel Rowlands</b> <i>Independent Member (Community)</i>	15-20	0		15-20

	Salary	Benefits in kind (taxable)	Pension benefits	Total
	(bands of £5,000)	to nearest £100	to nearest £1000	(bands of £5,000)
<b>Hayley Proctor</b> <i>Independent Member (Trade Union) (Note 2) from 1<sup>st</sup> October 2024</i>	0-5	0		0-5
<b>Nicola Milligan</b> <i>Independent Member (Staff) (Note 2)</i>	0-5	0		0-5
<b>Ian Wells</b> <i>Independent Member (ICT)</i>	15-20	0		15-20
<b>Patsy Roseblade</b> <i>Independent Member (Finance)</i>	15-20	0		15-20
<b>Carolyn Donoghue</b> <i>Independent Member (University)</i>	15-20	0		15-20
<b>Lynda Thomas</b> <i>Independent Member (Corporate Business)</i>	5-10	0		5-10
<b>Cllr Geraint E Hopkins</b> <i>Independent Member (Local Authority)</i>	15-20	0		15-20
<b>Lisa Curtis-Jones, Dr Sally Bolt and Anne Morris received no remuneration for their role as Associate Members</b>				
Independent Members do not receive pensionable remuneration for their Board membership.				
Salary figures relate to remuneration for the period as Senior Manager only.				
Pension benefits relate to benefits accrued during the year, not just the period relating to their senior management service.				
<b>Notes</b>				
1 - Sally May partially retired on 1 <sup>st</sup> November 2024.				
2 - Nicola Milligan and Hayley Proctor are paid, full time employees of the organisation and receive no additional remuneration as an Independent Member.				
3 - For the officers detailed below, their salary banding and the total banding figures exclude the following amounts in respect of their chosen salary sacrifice deductions:				
Dom Hurford	£8,925.00			
Greg Dix	£2,174.52			
Hywel Daniel	£8,257.08			
Philip Daniels	£8748.00			
Lauren Edwards	£13,649.28			
Gethin Hughes	£9,210.00			
Stuart Morris	£8,912.64			

Salary and Pension Disclosure Tables (Audited) (Contd.)

<b><u>Single Total Figure of Remuneration 2023-24</u></b>	<b>Salary</b>	<b>Benefits in kind(taxable)</b>	<b>Pension benefits</b>	<b>Total</b>
	<b>(bands of £5,000)</b>	<b>to nearest £100</b>	<b>to nearest £1000</b>	<b>(bands of £5,000)</b>
<b><u>Executive Directors</u></b>	<b>£000</b>	<b>£00</b>	<b>£000</b>	<b>£000</b>
<b>Paul Mears</b> <i>Chief Executive (Note 1)</i>	220-225	0	0	220-225
<b>Sally May</b> <i>Director of Finance (Note 1)</i>	175-180	0	0	175-180
<b>Dom Hurford</b> <i>Medical Director (Note 1)</i>	180-185	3	0	180-185
<b>Greg Dix</b> <i>Nurse Director (Note 1)</i>	145-150	15	0	150-155
<b>Linda Prosser</b> <i>Director of Strategy &amp; Transformation</i>	145-150	0	0	145-150
<b>Hywel Daniel</b> <i>Director of People (Note 1)</i>	140-145	19	0	140-145
<b>Philip Daniels</b> <i>Interim Director of Public Health to 12<sup>th</sup> November 2023</i> <i>Director of Public Health from 13<sup>th</sup> November 2023</i>	120-125	12	573	695-700
<b>Lauren Edwards</b> <i>Director of Therapies and Health Sciences (Note 1)</i>	120-125	14	0	120-125
<b>Gethin Hughes</b> <i>Chief Operating Officer (Note 2)</i>	145-150	3	940	1085-1090
<b><u>Directors</u></b>				
<b>Stuart Morris</b> <i>Director of Digital (Note 1)</i>	110-115	14	0	110-115
<b>Gareth Watts</b> <i>Director of Corporate Governance/ Board Secretary from 6th September 2023</i>	65-70	0	14	80-85
<b>Simon Blackburn</b> <i>Director of Communications, Engagement and Fundraising from 3<sup>rd</sup> July 2023</i>	75-80	0	512	590-595
<b><u>Independent Members</u></b>				
<b>Jonathan Morgan</b> <i>Interim Chair</i>	65-70	0		65-70
<b>Jayne Sadgrove</b> <i>Vice-Chair to 31<sup>st</sup> August 2023</i>	20-25	0		20-25
<b>Kath Palmer</b> <i>Vice-Chair from 13<sup>th</sup> November 2023</i>	20-25	0		20-25
<b>Patsy Roseblade</b> <i>Independent Member (Finance)</i>	15-20	0		15-20
<b>James Hehir</b> <i>Independent Member (Legal) to 30<sup>th</sup> September 2023</i>	5-10	0		5-10

Salary and Pension Disclosure Tables (Audited) (Contd.)

	Salary	Benefits in kind (taxable)	Pension benefits	Total
	(bands of £5,000)	to nearest £100	to nearest £1000	(bands of £5,000)
<b>Helen Lentle</b> <i>Independent Member (Legal) from 2<sup>nd</sup> January 2024</i>	0-5	0		0-5
<b>Ian Wells</b> <i>Independent Member (ICT)</i>	15-20	0		15-20
<b>Mel Jehu</b> <i>Independent Member (Community)</i>	15-20	0		15-20
<b>Nicola Milligan</b> <i>Independent Member (Staff) (Note 3)</i>	0	0		0
<b>Dilys Jouvenat</b> <i>Independent Member (Third Sector)</i>	15-20	0		15-20
<b>Carolyn Donoghue</b> <i>Independent Member (University)</i>	15-20	0		15-20
<b>Lynda Thomas</b> <i>Independent Member (Corporate Business)</i>	15-20	0		15-20
<b>Cllr Geraint E Hopkins</b> <i>Independent Member (Local Authority)</i>	15-20	0		15-20
<b>Lisa Curtis-Jones, Dr Sally Bolt and Anne Morris received no remuneration for their role as Associate Members</b>				
Independent Members do not receive pensionable remuneration for their Board membership.				
Salary figures relate to remuneration for the period as Senior Manager only.				
Pension benefits relate to benefits accrued during the year, not just the period relating to their senior management service.				
<b>Notes</b>				
1 - Paul Mears, Sally May, Dom Hurford, Greg Dix, Linda Prosser, Hywel Daniel, Lauren Edwards and Stuart Morris are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.				
2 - Gethin Hughes commenced contributions covered by the NHS Pension arrangements in August 2023.				
3 - Nicola Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.				
4 - For the officers detailed below, their salary banding and the total banding figures exclude the following amounts in respect of their chosen salary sacrifice deductions:				
Hywel Daniel	£8,257.08			
Phillip Daniels	£6,561.00			
Greg Dix	£8,698.08			
Lauren Edwards	£10,236.96			
Gethin Hughes	£2,302.50			
Dom Hurford	£6,790.32			
Stuart Morris	£8,912.64			

Salary and Pension Disclosure Tables (Audited) (Contd.)

<b>Pension Benefits 2024-25</b>	<b>Real increase in pension at pensionable age</b>	<b>Real increase in pension lump sum at pensionable age</b>	<b>Total accrued pension at pensionable age at 31 March 2025</b>	<b>Lump sum at pensionable age related to accrued pension at 31 March 2025</b>	<b>Cash Equivalent Transfer Value at 31 March 2025</b>	<b>Cash Equivalent Transfer Value at 31 March 2024</b>	<b>Real increase in Cash Equivalent Transfer Value</b>	<b>Employer's contribution to partnership pension account</b>
<b>Name and title</b>	<b>(bands of £2,500)</b>	<b>(bands of £2,500)</b>	<b>(bands of £5,000)</b>	<b>(bands of £5,000)</b>				
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>Cwm Taf Morgannwg University Local Health Board</u></b>								
<b><u>Executive Directors</u></b>								
<b>Paul Mears</b>	5-7.5	2.5-5	60-65	140-145	1340	1152	82	0
<i>Chief Executive</i>								
<b>Sally May</b>	0-2.5	0	75-80	205-210	166	1761	0	0
<i>Director of Finance</i>								
<b>Dom Hurford</b>	2.5-5	2.5-5	40-45	105-110	905	780	55	0
<i>Medical Director</i>								
<b>Greg Dix 1995</b>	5-7.5	5-7.5	50-55	125-130	1154	976	92	0
<i>Nurse Director (Deputy CEO)</i>								
<b>Linda Prosser</b>	2.5-5.5	2.5-5	55-60	145-150	157	95	37	0
<i>Director of Strategy &amp; Transformation</i>								
<b>Hywel Daniel</b>	2.5-5	0-2.5	40-45	100-105	786	678	44	0
<i>Director of People</i>								
<b>Philip Daniels</b>	0-2.5	0	30-35	0	473	409	19	0
<i>Director of Public Health</i>								
<b>Lauren Edwards</b>	2.5-5	0	30-35	75-80	623	543	29	0
<i>Director of Therapies and Health Sciences</i>								
<b>Gethin Hughes</b>	0	0	40-45	110-115	1002	885	40	0
<i>Chief Operating Officer</i>								
<b><u>Directors</u></b>								
<b>Stuart Morris</b>	2.5	0-2.5	35-40	95-100	884	721	49	0
<i>Director of Digital</i>								
<b>Gareth Watts</b>	0-2.5	0	0-5	0	46	15	15	0
<i>Director of Corporate Governance/ Board Secretary</i>								
<b>Simon Blackburn</b>	0-2.5	0-2.5	25-30	65-70	578	493	38	0
<i>Director of Communications, Engagement and Fundraising</i>								
<b>Notes:</b>								
The NHS Pension scheme which is open to all NHS employees requires all members to contribute on a tiered scale from 5% up to 14.5% of their pensionable pay depending on total earnings, with the employers contributing 23.7%. Pensionable pay is determined by the number of year's pensionable service and is related to the level of earnings/final salary at the time of retirement. Pension contributions of Executive Directors are entirely consistent with the standard NHS Pension Scheme. Pension benefits are calculated on the same basis for all members.								
As Independent members do not receive pensionable remuneration for Board duties, there will be no entries in respect of pensions for Independent members.								
<b>Cash Equivalent Transfer Values</b>								

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised 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 figures include the value of any pension benefits in another scheme or arrangement which the member has transferred to the NHS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out 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.

<b>Real Increase in CETV</b>								
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This reflects the increase in CETV that is funded by the employer. It does not include 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 above shows the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e., as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.

<b>Pension Benefits 2023-24</b>	<b>Real increase in pension at pensionable age</b>	<b>Real increase in pension lump sum at pensionable age</b>	<b>Total accrued pension at pensionable age at 31 March 2024</b>	<b>Lump sum at pensionable age related to accrued pension at 31 March 2024</b>	<b>Cash Equivalent Transfer Value at 31 March 2024</b>	<b>Cash Equivalent Transfer Value at 31 March 2023</b>	<b>Real increase in Cash Equivalent Transfer Value</b>	<b>Employer's contribution to partnership pension account</b>
<b>Name and title</b>	<b>(bands of £2,500)</b>	<b>(bands of £2,500)</b>	<b>(bands of £5,000)</b>	<b>(bands of £5,000)</b>				
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>Cwm Taf Morgannwg University Local Health Board</u></b>								
<b><u>Executive Directors</u></b>								
<b>Paul Mears</b> <i>Chief Executive</i>	0	32.5-35	50-55	130-135	1152	898	133	0
<b>Sally May</b> <i>Director of Finance</i>	0	32.5-35	70-75	200-205	1761	1456	134	0
<b>Dom Hurford</b> <i>Medical Director</i>	0	30-32.5	35-40	95-100	780	563	144	0
<b>Greg Dix 1995</b> <i>Nurse Director (Note 1)</i>	0	32.5-35	40-45	115-120	976	773	109	0
<b>Linda Prosser</b> <i>Director of Strategy &amp; Transformation</i>	0	0	50-55	130-135	95	41	30	0
<b>Hywel Daniel</b> <i>Director of People</i>	0	20-22.5	35-40	90-95	678	500	108	0
<b>Philip Daniels</b> <i>Interim Director of Public Health to 12th November 2023</i> <i>Director of Public Health from 13th November 2023</i>	27.5-30	0	25-30	0	409	0	369	0
<b>Lauren Edwards</b> <i>Director of Therapies and Health Sciences</i>	0	22.5-25	25-30	70-75	543	366	123	0
<b>Gethin Hughes</b> <i>Chief Operating Officer (Note 2)</i>	40-42.5	117.5-120	40-45	115-120	885	0	872	0
<b><u>Directors</u></b>								
<b>Stuart Morris</b> <i>Director of Digital</i>	0	22.5-25	30-35	90-95	721	522	131	0
<b>Gareth Watts</b> <i>Director of Corporate Governance/ Board Secretary to 6<sup>th</sup> September 2023 (Note 3)</i>	0-2.5	0	0-5	0	15	0	3	0
<b>Simon Blackburn</b> <i>Director of Communications, Engagement and Fundraising from 3<sup>rd</sup> July 2023</i>	15-17.5	45-47.5	20-25	60-65	493	0	359	0
<b>Notes:</b>								
1 - Greg Dix was a member of the 1995 pension scheme up to 2018-19. He joined the 2015 pension scheme on 1st July 2020 and terminated membership on 31st December 2022 and re-joined on 1st July 2023.								
2 - Gethin Hughes commenced contributions covered by the NHS Pension arrangements in August 2023.								
3 - Gareth Watts commenced membership to the 2015 scheme on 6 <sup>th</sup> September 2023.								
The NHS Pension scheme which is open to all NHS employees requires all members to contribute on a tiered scale from 5% up to 14.5% of their pensionable pay depending on total earnings, with the employers contributing 20.68%. Pensionable pay is determined by the number of year's pensionable service and is related to the level of earnings/final salary at the time of retirement. Pension contributions of Executive Directors are entirely consistent with the standard NHS Pension Scheme. Pension benefits are calculated on the same basis for all members.								
As Independent members do not receive pensionable remuneration for Board duties, there will be no entries in respect of pensions for Independent members.								

Salary and Pension Disclosure Tables (Audited) (Contd.)

<b>Cash Equivalent Transfer Values</b>								
<p>A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised 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.</p> <p>The figures include the value of any pension benefits in another scheme or arrangement which the member has transferred to the NHS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out 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.</p>								
<b>Real Increase in CETV</b>								
<p>This reflects the increase in CETV that is funded by the employer. It does not include 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 above shows the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e., as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.</p>								

## Reporting of other Compensation Schemes – Exit Packages

In accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS) and redundancy legislation some costs were paid. Where CTMUHB agreed the voluntary early release of staff, the organisation met these costs rather than the NHS Pensions Scheme. The NHS Pension Scheme did meet the cost of ill-health retirements, which are not included in the tables provided. No staff received an exit payment during 2024-2025.

### Expenditure on Consultancy Fees and Temporary Staff (Audited)

Figure 67

	2024-2025	2023-2024
<b>Expenditure on Hospital and Community Health Services</b>	<b>£'000</b>	<b>£'000</b>
Temporary Staff	<b>35,632</b>	<b>34,232</b>
Consultancy Services	<b>9</b>	<b>136</b>

### Tax Assurance for Off-Payroll Engagements

Figure 68

<b>Table 1: Highly paid Off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater</b>	
Number of existing engagements as of 31 March 2025	21
Of which, the number that have existed:	
for less than one year at time of reporting.	7
for between one and two years at time of reporting.	1
for between two and three years at time of reporting.	2
for between three and four years at time of reporting.	2
for four or more years at time of reporting.	9
<b>Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater</b>	
Number of temporary off-payroll workers engaged during the year ended 31 March 2025	38
Of which...	
Number not subject to off-payroll legislation	0
Number subject to off-payroll legislation and determined as in-scope of IR35	32
Number subject to off-payroll legislation and determined as out-of-scope of IR35	6
Number of engagements reassessed for compliance or assurance purposes during the year.	0
Of which: Number of engagements that saw a change to IR35 status following review.	0
<b>Table 3; For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025</b>	
Number of off-payroll engagements of board members, and /or, senior officials with significant financial responsibility, during the financial year.	0
Total number of individuals on payroll and off-payroll that have been deemed "board members, and/or senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements.	12

Fair Pay Disclosures – Remuneration Relationship (Audited)

Figure 69

	2024-2025	2024-2025	2024-2025		2023-2024	2023-2024	2023-2024
	£000	£000	£000		£000	£000	£000
<b>Total pay and benefits</b>	<b>Chief Executive</b>	<b>Employee</b>	<b>Ratio</b>		Chief Executive	Employee	Ratio
25th percentile pay ratio	233	28	8.3		221	26	8.4
Median pay	233	38	6.1		221	35	6.3
75th percentile pay ratio	233	50	4.7		221	47	4.7
<b>Salary component of total pay and benefits</b>							
25th percentile pay ratio	233	28			221	26	
Median pay	233	38			221	35	
75th percentile pay ratio	233	50			221	47	
<b>Total pay and benefits</b>							
	<b>Highest Paid Director</b>	<b>Employee</b>	<b>Ratio</b>		Highest Paid Director	Employee	Ratio
25th percentile pay ratio	233	28	8.3		221	26	8.4
Median pay	233	38	6.1		221	35	6.3
75th percentile pay ratio	233	50	4.7		221	47	4.7
<b>Salary component of total pay and benefits</b>							
25th percentile pay ratio	233	28			221	26	
Median pay	233	38			221	35	
75th percentile pay ratio	233	50			221	47	

In 2024-2025, 29 (2023-2024, 27) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £3k to £362k (2023-2024, £3k to £415k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Figure 70

Percentage Changes (Audited)	2023-2024	2022-2023
	<b>to</b>	To
	2024-2025	2023-2024
	<b>%</b>	%
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	5	5
Performance pay and bonuses	5	5
% Change from previous financial year in respect of highest paid director		
Salary and allowances	5	5
Performance pay and bonuses	5	5
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	7	5
Performance pay and bonuses	7	5

Reporting of other compensation schemes – exit packages (Audited)

Figure 71

	2024-2025	2024-2025	2024-2025	2024-2025	2023-2024
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	7	7	0	1
£10,000 to £25,000	0	3	3	0	1
£25,000 to £50,000	0	1	1	0	2
£50,000 to £100,000	0	1	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	1
Total	0	12	12	0	5

Figure 72

	2024-2025	2024-2025	2024-2025	2024-2025	2023-2024
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	40,712	40,712	0	9,026
£10,000 to £25,000	0	53,545	53,545	0	22,265
£25,000 to £50,000	0	39,328	39,328	0	65,000
£50,000 to £100,000	0	71,719	71,719	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	443,022
<b>Total</b>	<b>0</b>	<b>205,304</b>	<b>205,304</b>	<b>0</b>	<b>539,313</b>

Figure 73

Exit costs paid in year of departure	Total paid in year	Total paid in year
	2024-2025	2023-2024
Exit costs paid in year	205,304	504,313

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where CTMUHB has agreed early retirements, the additional costs are met by the CTMUHB 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.

#### Remote Contingent Liabilities (Audited)

Detailed below are the remote contingent liabilities as at 31<sup>st</sup> March 2025:

Figure 74

Contingent Liabilities	2024-2025	2023-2024
Guarantees	0	0
Indemnities	184	298
Letters of Comfort	0	0
<b>Total</b>	<b>184</b>	<b>298</b>

Please see 'Note 21' of the financial statements.

Miscellaneous Income (Audited)

Detailed below is the miscellaneous income as at 31<sup>st</sup> March 2025:

Figure 75

	2024-2025	2023-2024
<b>Total</b>	<b>162,790</b>	163,360

## Long Term Expenditure Trends (Audited)

Figure 76

Operating Expenses	£000	£000	£000	£000	£000		%	%	%	%	%
	20-21	21-22	22-23	23-24	24-25		20-21	21-22	22-23	23-24	24-25
Primary Healthcare Services	243,573	251,779	252,376	268,077	296,688		17.70	17.64	16.60	17.23	16.44
Healthcare from other providers	335,415	349,708	363,049	380,837	408,405		24.38	24.51	23.88	24.47	22.63
Hospital and Community Health Services	797,071	825,533	904,637	907,395	1,100,001		57.92	57.85	59.51	58.30	60.94
Total	1,376,059	1,427,020	1,520,062	1,556,309	1,805,094		100.00	100.00	100.00	100.00	100.00

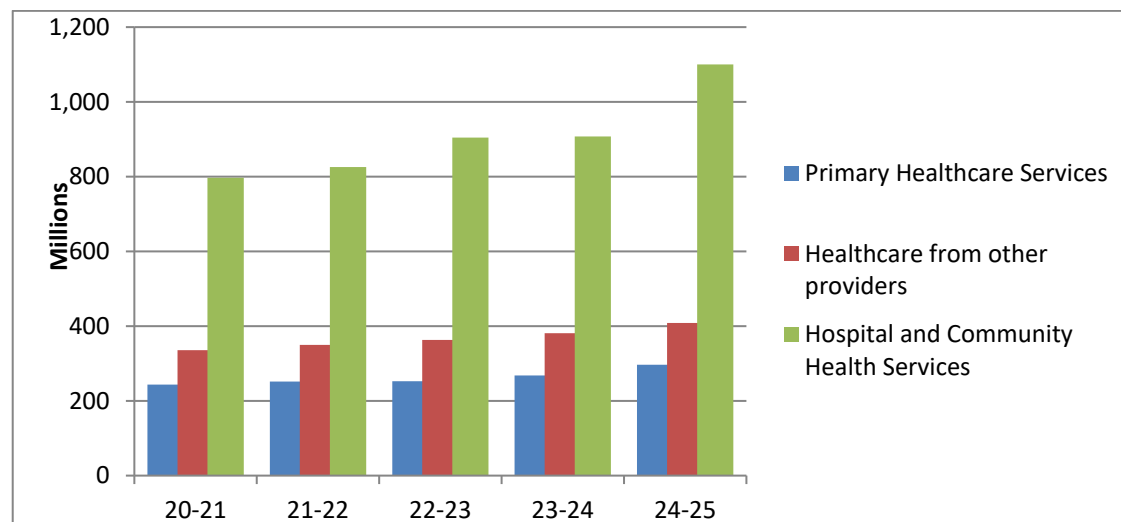


Figure 77

<b>Expenditure on Primary Healthcare Services</b>	£000	£000	£000	£000	£000		%	%	%	%	%
	20-21	21-22	22-23	23-24	24-25		20-21	21-22	22-23	23-24	24-25
General Medical Services	82,559	86,136	87,403	90,866	100,994		33.90	34.21	34.63	33.90	34.04
Pharmaceutical Services	21,196	22,194	21,072	23,069	25,926		8.70	8.81	8.35	8.61	8.74
General Dental Services	25,470	27,011	25,612	27,886	31,307		10.46	10.73	10.15	10.40	10.55
General Ophthalmic Services	7,101	8,001	6,826	8,519	11,767		2.92	3.18	2.70	3.18	3.97
Other Primary Health Care expenditure	14,984	17,435	14,289	17,249	23,845		6.15	6.92	5.66	6.43	8.04
Prescribed drugs and appliances	92,263	91,002	97,174	100,488	102,849		37.88	36.14	38.50	37.48	34.67
<b>Total</b>	<b>243,573</b>	<b>251,779</b>	<b>252,376</b>	<b>268,077</b>	<b>296,688</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

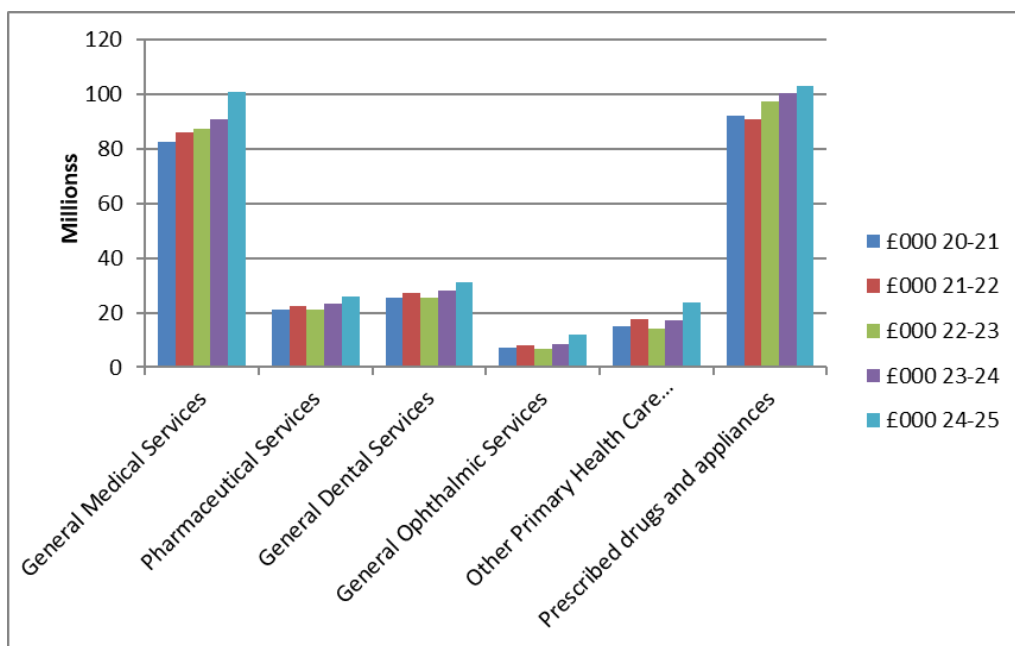


Figure 78

<b>Expenditure on Healthcare from other providers</b>	£000	£000	£000	£000	£000		%	%	%	%	%
	20-21	21-22	22-23	23-24	24-25		20-21	21-22	22-23	23-24	24-25
Welsh LHBs	74,359	77,989	79,324	84,095	82,747		22.17	22.30	21.85	22.08	20.26
Welsh NHS Trusts	23,392	26,305	25,133	28,180	38,252		6.97	7.52	6.92	7.40	9.37
WHSSC	155,190	148,438	151,733	158,430	166,968		46.27	42.45	41.79	41.60	40.88
Voluntary organisations	3,920	4,975	3,989	4,214	3,604		1.17	1.42	1.10	1.11	0.88
NHS Funded Nursing Care	7,022	6,246	6,961	8,583	6,183		2.09	1.79	1.92	2.25	1.51
Continuing Care	46,093	49,163	55,820	60,415	69,437		13.74	14.06	15.38	15.86	17.00
Other	25,440	36,592	40,089	36,920	41,214		7.58	10.46	11.04	9.69	10.09
<b>Total</b>	<b>335,415</b>	<b>349,708</b>	<b>363,049</b>	<b>380,837</b>	<b>408,405</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

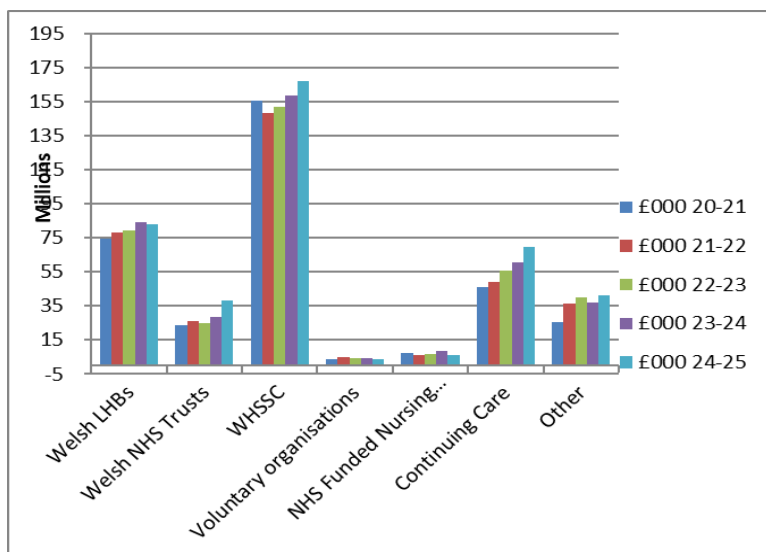


Figure 79

<b>Expenditure on Hospital and Community Health Services</b>	£000	£000	£000	£000	£000		%	%	%	%	%
	20-21	21-22	22-23	23-24	24-25		20-21	21-22	22-23	23-24	24-25
Supplies and services	85,152	93,191	101,352	116,357	126,922		45.10	47.05	42.70	59.07	38.53
Establishment	9,700	10,766	11,934	13,824	14,161		5.14	5.44	5.03	7.02	4.30
Premises	35,044	32,685	37,803	31,553	37,144		18.56	16.50	15.93	16.02	11.28
Depreciation & Amortisation	25,978	29,428	33,626	34,271	38,450		13.76	14.86	14.17	17.40	11.67
Fixed asset impairments and reversals	17,840	11,826	45,528	-7,555	104,835		9.45	5.97	19.18	-3.84	31.83
Audit fees	459	378	403	512	458		0.24	0.19	0.17	0.26	0.14
Losses, special payments and irrecoverable debts	2,602	4,221	1,184	3,821	3,152		1.38	2.13	0.50	1.94	0.96
Other operating expenses	12,023	15,581	5,549	4,206	4,258		6.37	7.87	2.34	2.14	1.29
<b>Total</b>	<b>188,798</b>	<b>198,076</b>	<b>237,379</b>	<b>196,989</b>	<b>329,380</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

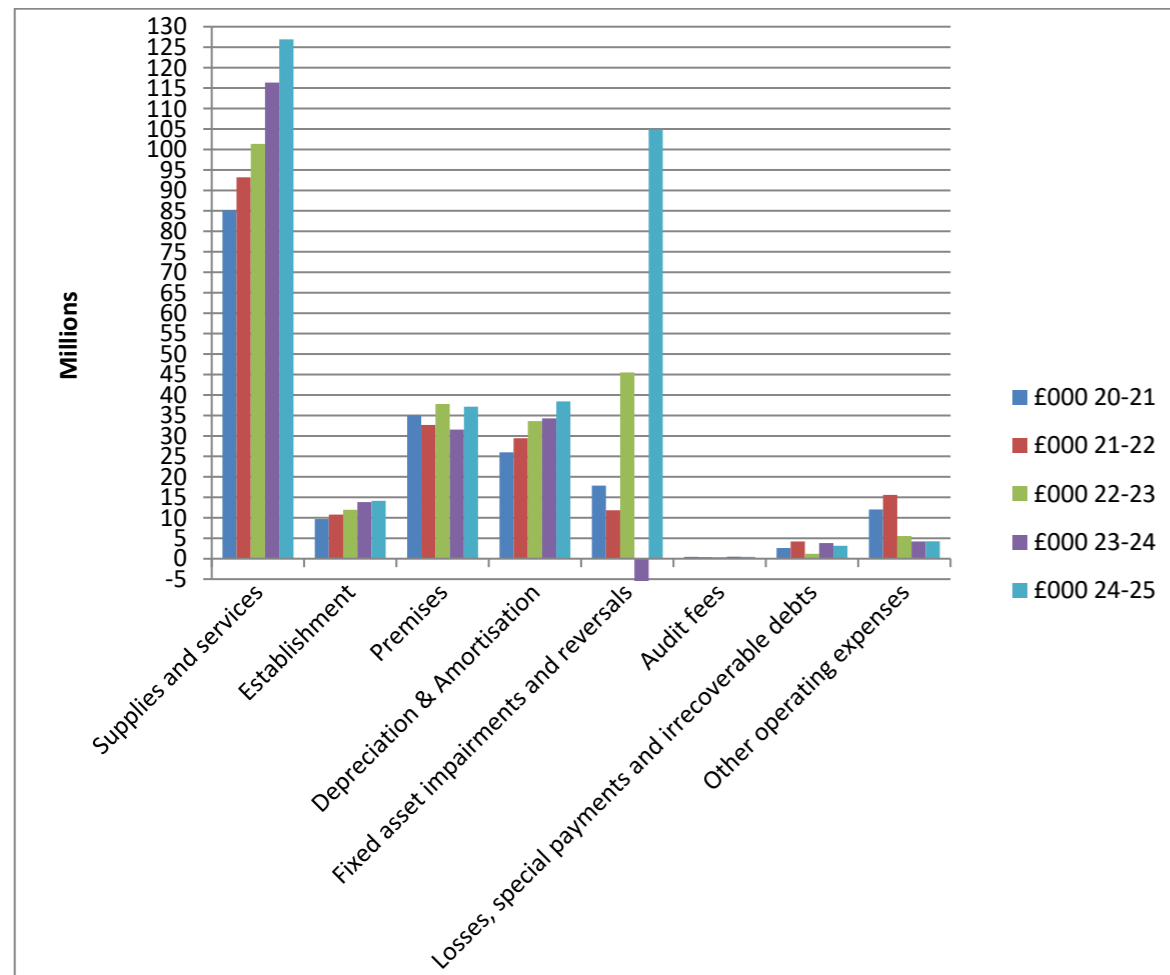
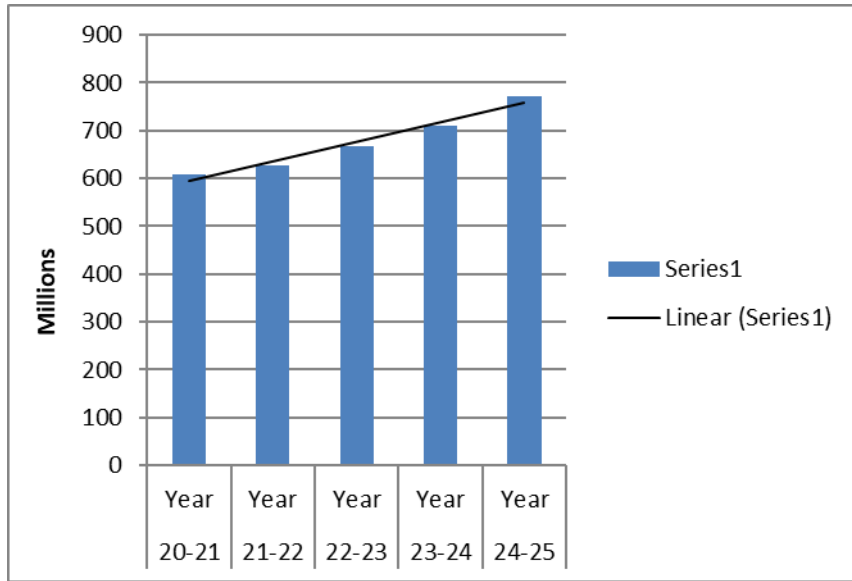


Figure 80

Expenditure on Hospital and Community Health Services - Staff Costs					
<i>Expenditure on Hospital and Community Health Services - Staff Costs</i>	20-21	21-22	22-23	23-24	24-25
	Year	Year	Year	Year	Year
Pay Costs	608,273	627,457	667,258	710,406	770,621



Performance against resource Limits (Audited)

Figure 81

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
<b>Net operating costs for the year</b>	1,234,585	1,278,862	1,365,069	1,393,256	<b>1,642,553</b>
Less general ophthalmic services expenditure and other non-cash limited expenditure	93	-66	-107	325	<b>-544</b>
Less revenue consequences of bringing PFI schemes onto SoFP	-126	-131	-198	-177	-180
Less any non-funded revenue consequences of IFRS 16	0	0	0	-2	-57
Total operating expenses	1,234,552	1,278,665	1,364,764	1,393,402	<b>1,641,772</b>
Revenue Resource Allocation	1,234,640	1,278,837	1,340,283	1,393,511	<b>1,641,868</b>
<b>Under / (over) spend against Allocation</b>	88	172	-24,481	109	<b>96</b>

CTMUHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-2023 to 2024-2025.

CTMUHB did not receive strategic cash only support in 2024-2025.

Capital Resource Performance (Audited)

Figure 82

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
<b>Gross capital expenditure</b>	53,772	79,967	74,915	79,725	94,861
Add: Losses on disposal of donated assets	0	0	0	0	0
Less NBV of property, plant and equipment and intangible assets disposed	-80	-717	-227	-252	-15
Less capital grants received	-1,264	-13	-1,592	-22	-15
Less donations received	-197	-83	-114	-43	-29
Charge against Capital Resource Allocation	52,231	79,154	72,982	79,408	94,802
Capital Resource Allocation	52,278	79,196	73,025	79,442	94,864
<b>(Over) / Underspend against Capital Resource Allocation</b>	47	42	43	34	62

CTMUHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-2023 to 2024-2025.

**Paul Mears,**  
**Chief Executive & Accountable Officer**  
**Date:** 26 June 2025

## Senedd Cymru/Welsh Parliament Accountability and Audit Report

### Regularity of Expenditure

Except for the regularity matter reported by the Auditor General on page 215, we consider that CTMUHB's expenditure in the 2024-2025 financial year has been regular.

Public funds will be used in a way that gives reasonable assurance that public resources will be used to deliver the intended objectives. Expenditure must be compliant with relevant legislation including EU legislation, delegated authorities and following guidance in Managing Welsh Public Money. Please see the AGW's qualified regularity opinion which is set out from page 215.

### Compliance with Cost Allocation and Charging

CTMUHB can confirm that it has complied with cost allocation and charging requirements as set out in HM Treasury's 'Managing Public Money' guidance.

### Going Concern Basis

CTMUHB's accounts are prepared on a going concern basis as the continued provision of CTMUHB's services in the future are anticipated, as evidenced by the inclusion of financial provisions for these services in published Welsh Government documents. There are no known events or conditions that might cast significant doubt on this assessment.

### Fees and Charges

Charges for services provided by public sector organisations normally pass on the full cost of providing those services. There is scope for charging more or less than this provided that the relevant Ministerial approval is given and there is full disclosure. 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 report contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury Guidance, material remote contingent liabilities, long-term expenditure trends, and the audit certificate and report.

## The Certificate of the Auditor General for Wales to the Senedd

### *Opinion on financial statements*

I certify that I have audited the financial statements of Cwm Taf Morgannwg University Health Board (CTMUHB) for the year ended 31 March 2025 under Section 61 of the Public Audit (Wales) Act 2004.

The financial statements include the activities of the Cwm Taf Morgannwg University Health Board and its hosted body, the NHS Wales Joint Commissioning Committee (collectively referred to in this report as the bodies). They comprise the Statement of Comprehensive Net Expenditure (CTMUHB Activities and Consolidated), the Statement of Financial Position (CTMUHB Activities and Consolidated), the Cash Flow Statement (CTMUHB Activities and Consolidated), the Statement of Other Comprehensive Net Expenditure, and the 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 the bodies as at 31 March 2025 and of their 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 matter 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 CTMUHB's financial statements because the Health Board has breached its revenue resource limit by spending £24.276 million over the amount that it was authorised to spend in the three-year period 2022-2023 to 2024-2025. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page 220.

### *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 and regularity of public sector bodies 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 twelve 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 the bodies 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 CTMUHB 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 Ministers' directions; and;
- the information given in the Performance and Accountability Reports specify the other information provided with the financial statements 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 bodies and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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 the Directors', Chief Executive's, and Chief Commissioner's Responsibilities, the Directors and the Chief Executive of the Board and the Chief Commissioner of the Joint Commissioning Committee 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 and Chief Commissioner 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 bodies' 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 or Chief Commissioner anticipate that the services provided by the bodies 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 the bodies' 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: revenue recognition, expenditure recognition, posting of unusual journals and (add as appropriate to the audit);
- Obtaining an understanding of the bodies' frameworks of authority as well as other legal and regulatory frameworks that the bodies operate 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 the bodies; and
- 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, the Audit and Risk Committees and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board and Joint Commissioning Committee; 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 bodies' 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](http://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 my Report on page 220.

**Adrian Crompton**  
**Auditor General for Wales**  
**27 June 2025**

**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 Cwm Taf Morgannwg University Health Board's (the LHB's) financial statements. I am reporting on these financial statements for the year ended 31 March 2025 to draw attention to a key matter for my audit. The matter is the failure against the first financial duty and consequential qualification of my 'regularity' opinion. I have not qualified my 'true and fair' opinion in respect of the matter.

### *Financial duties*

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

For 2024-25, the LHB failed to meet the first 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 2022-2023 to 2024-2025.

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 £4,375 million by £24.276 million.

Where an LHB does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. 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 spend.

### *Achieving 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 2024-2025 if it submitted a 2024 to 2026-2027 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 meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2024 to 2026-2027.

**Adrian Crompton**  
**Auditor General for Wales**  
**27 June 2025**

## Chapter 3 – Financial Statements and Accounts

# CWM TAF MORGANNWG UNIVERSITY HEALTH BOARD

## FOREWORD

These accounts have been prepared by the Local Health Board in accordance with Schedule 9, Section 178(3)(1) of the *National Health Service (Wales) Act 2006*, in the format directed by the Welsh Ministers with the approval of HM Treasury.

### Statutory Background

Cwm Taf Morgannwg University Health Board was established on 1 October 2009 following the merger of Cwm Taf NHS Trust, Rhondda Cynon Taf Local Health Board, and Merthyr Tydfil Local Health Board.

The **Welsh Health Specialised Services Committee (WHSSC)** was established on 1 April 2010 to oversee the joint planning of specialised and tertiary services across Wales.

The **Emergency Ambulance Services Committee (EASC)** was formed on 1 April 2014 to plan and secure emergency ambulance services on behalf of all Local Health Boards. Both committees were hosted by Cwm Taf Morgannwg University Health Board.

Following the **Bridgend boundary change on 1 April 2019**, the Health Board assumed responsibility for healthcare services across **Merthyr Tydfil, Rhondda Cynon Taf, and Bridgend County Borough Council**.

On 1 April 2024, the functions of WHSSC and EASC were formally transferred to the **NHS Wales Joint Commissioning Committee (NWJCC)**. This change followed an independent review commissioned by the Welsh Government to strengthen national commissioning arrangements.

The NWJCC is now responsible for:

- Commissioning services previously overseen by WHSSC and EASC.
- Commissioning the **NHS 111 Wales** service.

The NWJCC was established under:

- *Welsh Statutory Instruments 2024 No. 135 (W.29) – The National Health Service Joint Commissioning Committee (Wales) Regulations 2024*.
- Associated Welsh Government Directions (WG24-06).

Although hosted by Cwm Taf Morgannwg University Health Board, the NWJCC is a joint committee of all seven NHS Wales Health Boards. It is not a separate legal entity and does not fall under the control of any single Health Board.

All assets and liabilities of WHSSC and EASC were transferred to the NWJCC as of 1 April 2024.

### Performance Management and Financial Results

The financial duties of NHS Wales bodies are governed by *Welsh Health Circular WHC/2016/054*, which supersedes WHC/2015/014. The annual financial duty has been revoked, and the statutory breakeven duty has reverted to a **rolling three-year assessment**, with the first assessment under this model occurring in 2016–17.

In accordance with the *National Health Services Finance (Wales) Act 2014*, Local Health Boards must ensure that their aggregate expenditure over any three-year period does not exceed their aggregate approved resource limits.

The Health Board complies with the **HM Treasury Financial Reporting Manual (FRM)**, as applicable. The primary financial statement is the **Statement of Comprehensive Net Expenditure**, which reflects the net operating cost funded by the Welsh Government. This funding is allocated directly to the General Fund in the Statement of Financial Position.

These accounts consolidate the financial activities of both **Cwm Taf Morgannwg University Health Board** and the **NWJCC**. Where appropriate, balances relating solely to the Health Board are disclosed separately. In line with standard consolidation practices, inter-entity transactions between the Health Board and the NWJCC have been eliminated in the consolidated totals.

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
		CTM	Consolidated	CTM	Consolidated
		HB Activities		HB Activities	
Expenditure on Primary Healthcare Services	3.1	296,688	296,688	268,077	268,077
Expenditure on healthcare from other providers	3.2	408,405	1,414,854	380,837	1,307,734
Expenditure on Hospital and Community Health Services	3.3	1,100,001	1,109,490	907,395	916,123
		<b>1,805,094</b>	<b>2,821,032</b>	1,556,309	2,491,934
Less: Miscellaneous Income	4	(162,790)	(1,178,729)	(163,360)	(1,098,985)
<b>LHB net operating costs before interest and other gains and losses</b>		<b>1,642,304</b>	<b>1,642,303</b>	1,392,949	1,392,949
Investment Revenue	5	(5)	(5)	(2)	(2)
Other (Gains) / Losses	6	(188)	(188)	(44)	(44)
Finance costs	7	442	442	353	353
<b>Net operating costs for the financial year</b>		<b>1,642,553</b>	<b>1,642,552</b>	<b>1,393,256</b>	<b>1,393,256</b>

See note 2 on page 27 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 79 form part of these accounts.

**Other Comprehensive Net Expenditure**

	<b>Consolidated</b>	Consolidated
	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Net (gain) / loss on revaluation of property, plant and equipment	<b>(4,985)</b>	<b>(17,856)</b>
Net (gain) / loss on revaluation of right of use assets	<b>0</b>	0
Net (gain) / loss on revaluation of intangibles	<b>0</b>	0
(Gain) / loss on other reserves	<b>0</b>	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	<b>0</b>	0
Net (gain)/loss on revaluation of financial assets held for sale	<b>0</b>	0
Impairment and reversals	<b>0</b>	0
Transfers between reserves	<b>0</b>	0
Transfers (to) / from other bodies within the Resource Accounting Bounda	<b>0</b>	0
Reclassification adjustment on disposal of available for sale financial asse	<b>0</b>	0
Other comprehensive net expenditure for the year	<b>(4,985)</b>	<b>(17,856)</b>
<b>Total comprehensive net expenditure for the year</b>	<b>1,637,567</b>	1,375,400

The notes on pages 8 to 79 form part of these accounts.

## Statement of Financial Position as at 31 March 2025

		31 March	31 March	31 March	31 March
	Notes	2025	2025	2024	2024
		£000	£000	£000	£000
		CTM	Consolidated	CTM	Consolidated
		HB Activities		HB Activities	
<b>Non-current assets</b>					
Property, plant and equipment	11	664,485	664,485	706,648	706,648
Right of Use Assets	11.3	22,308	22,308	23,805	23,805
Intangible assets	12	2,010	2,010	2,092	2,092
Trade and other receivables	15	94,247	94,247	67,191	67,191
Other financial assets	16	0	0	0	0
<b>Total non-current assets</b>		<b>783,050</b>	<b>783,050</b>	799,736	799,736
<b>Current assets</b>					
Inventories	14	7,719	7,719	7,367	7,367
Trade and other receivables	15	102,851	123,001	77,735	100,493
Other financial assets	16	0	0	0	0
Cash and cash equivalents	17	5,225	33,096	1,485	16,505
		<b>115,795</b>	<b>163,816</b>	86,587	124,365
Non-current assets classified as "Held for Sale"	11	287	287	0	0
<b>Total current assets</b>		<b>116,082</b>	<b>164,103</b>	86,587	124,365
<b>Total assets</b>		<b>899,132</b>	<b>947,153</b>	886,323	924,101
<b>Current liabilities</b>					
Trade and other payables	18	(190,924)	(250,742)	(159,923)	(209,498)
Other financial liabilities	19	0	0	0	0
Provisions	20	(44,210)	(44,255)	(33,748)	(33,793)
<b>Total current liabilities</b>		<b>(235,134)</b>	<b>(294,997)</b>	(193,671)	(243,291)
<b>Net current assets/ (liabilities)</b>		<b>(119,052)</b>	<b>(130,894)</b>	(107,084)	(118,926)
<b>Non-current liabilities</b>					
Trade and other payables	18	(18,448)	(18,448)	(20,213)	(20,213)
Other financial liabilities	19	0	0	0	0
Provisions	20	(99,687)	(99,687)	(68,994)	(68,994)
<b>Total non-current liabilities</b>		<b>(118,135)</b>	<b>(118,135)</b>	(89,207)	(89,207)
<b>Total assets employed</b>		<b>545,863</b>	<b>534,021</b>	603,445	591,603
<b>Financed by :</b>					
<b>Taxpayers' equity</b>					
General Fund		445,023	433,181	493,861	482,019
Revaluation reserve		100,840	100,840	109,584	109,584
<b>Total taxpayers' equity</b>		<b>545,863</b>	<b>534,021</b>	603,445	591,603

Following the transition from Health Commission Wales (HCW) to the Welsh Specialised Services Committee (WHSSC) (now the NWJCC) in April 2010, the general fund deficit of £11.842m was transferred into the consolidated General Fund position. This position will remain the same due to the neutral position of the JCC given it is wholly funded by all the NHS Wales Health Boards.

The financial statements on pages 2 to 7 were approved by the Board on 26/06/25 and signed on its behalf by:

Chief Executive and Accountable Officer .....

Date: 26/06/2025

The notes on pages 8 to 79 form part of these accounts.

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

	General Fund £000	Revaluation Reserve £000	Consolidated Total Reserves £000
<b>Changes in taxpayers' equity for 2024-25</b>			
Balance as at 31 March 2024	482,019	109,584	591,603
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
<b>Balance at 1 April 2024</b>	<b>482,019</b>	<b>109,584</b>	<b>591,603</b>
Net operating cost for the year	(1,642,552)	-	(1,642,552)
Net gain/(loss) on revaluation of property, plant and equipment	0	4,985	4,985
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 assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	13,729	(13,729)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBS	0	0	0
<b>Total recognised income and expense for 2024-25</b>	<b>(1,628,823)</b>	<b>(8,744)</b>	<b>(1,637,567)</b>
Net Welsh Government funding	1,533,106	-	1,533,106
Notional Welsh Government Funding	46,879	-	46,879
<b>Balance at 31 March 2025</b>	<b>433,181</b>	<b>100,840</b>	<b>534,021</b>

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government. The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

### Notional Welsh Government funding split:

Notional 9.4% staff employer pension £46,862k  
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £17k

## Statement of Changes in Taxpayers' Equity For the year ended 31 March 2024

	General Fund £000	Revaluation Reserve £000	Consolidated Total Reserves £000
<b>Changes in taxpayers' equity for 2023-24</b>			
<b>Balance at 31 March 2023</b>	417,008	95,072	512,080
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	(388)	0	(388)
<b>Balance at 1 April 2023</b>	416,620	95,072	511,692
Net operating cost for the year	(1,393,256)	0	(1,393,256)
Net gain/(loss) on revaluation of property, plant and equipment	0	17,856	17,856
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 assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	3,344	(3,344)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	(5)	0	(5)
<b>Total recognised income and expense for 2023-24</b>	(1,389,917)	14,512	(1,375,405)
Net Welsh Government funding	1,426,485	0	1,426,485
Notional Welsh Government Funding	28,831	0	28,831
<b>Balance at 31 March 2024</b>	482,019	109,584	591,603

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

### Notional Welsh Government funding split:

Notional 6.3% staff employer pension £28,823k

Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £8k

## Statement of Cash Flows for year ended 31 March 2025

	2024-25	2024-25	2023-24	2023-24
	£000	£000	£000	£000
	CTM	Consolidated	CTM	Consolidated
Notes	HB Activities		HB Activities	
<b>Cash Flows from operating activities</b>				
Net operating cost for the financial year	(1,642,553)	(1,642,552)	(1,393,256)	(1,393,256)
Movements in Working Capital	27 (29,455)	(16,605)	(32,566)	(35,139)
Other cash flow adjustments	28 243,684	243,684	86,341	86,061
Provisions utilised	20 (12,598)	(12,598)	(7,653)	(7,688)
<b>Net cash outflow from operating activities</b>	<b>(1,440,922)</b>	<b>(1,428,071)</b>	<b>(1,347,134)</b>	<b>(1,350,022)</b>
<b>Cash Flows from investing activities</b>				
Purchase of property, plant and equipment	(85,317)	(85,317)	(76,450)	(76,450)
Proceeds from disposal of property, plant and equipment	190	190	296	296
Purchase of intangible assets	0	0	0	0
Proceeds from disposal of intangible assets	0	0	0	0
Payment for other financial assets	0	0	0	0
Proceeds from disposal of other financial assets	0	0	0	0
Payment for other assets	0	0	0	0
Proceeds from disposal of other assets	0	0	0	0
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(85,127)</b>	<b>(85,127)</b>	<b>(76,154)</b>	<b>(76,154)</b>
<b>Net cash inflow/(outflow) before financing</b>	<b>(1,526,049)</b>	<b>(1,513,198)</b>	<b>(1,423,288)</b>	<b>(1,426,176)</b>
<b>Cash Flows from financing activities</b>				
Welsh Government funding (including capital)	1,533,106	1,533,106	1,426,485	1,426,485
Capital receipts surrendered	0	0	0	0
Capital grants received	0	0	0	0
Capital element of payments in respect of finance leases and on-SoFP	0	0	0	0
Capital element of payments in respect of on-SoFP PFI	(237)	(237)	(177)	(177)
Capital Element of payments in respect of Right of Use Assets	(3,080)	(3,080)	(2,883)	(2,883)
Cash transferred (to)/ from other NHS bodies	0	0	0	0
<b>Net financing</b>	<b>1,529,789</b>	<b>1,529,789</b>	<b>1,423,425</b>	<b>1,423,425</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,740</b>	<b>16,591</b>	<b>137</b>	<b>(2,751)</b>
<b>Cash and cash equivalents (and bank overdrafts) at 1 April</b>	<b>1,485</b>	<b>16,505</b>	<b>1,348</b>	<b>19,256</b>
<b>Cash and cash equivalents (and bank overdrafts) at 31 March</b>	<b>5,225</b>	<b>33,096</b>	<b>1,485</b>	<b>16,505</b>

The notes on pages 8 to 79 form part of these accounts.

## Notes to the Accounts

### 1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024-25 Manual for Accounts. The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FRM) 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 FRM. 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.

The NWJCC does not hold statutory responsibility for a resource limit. Services are funded by income from LHBs, based on an agreed financial plan. All expenditure is matched against this income, and any variances are managed through a risk-sharing framework, resulting in a net operating cost of zero.

The host body, Cwm Taf Morgannwg University Health Board, is held harmless for all costs except for its own share, which reflects its population's use of specialised and ambulance services.

All allocations flow from the Welsh Government to LHBs; there are no direct allocations to the NWJCC. Income received from LHBs transacting with other NHS Wales bodies is treated as miscellaneous income.

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 recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

##### **1.4.2. Retirement benefit costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

### 1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

### 1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

### 1.6. Property, plant and equipment

#### 1.6.1. Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

#### 1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use

- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1st April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

### **1.6.3. Subsequent expenditure**

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated, for All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

## **1.7. Intangible assets**

### **1.7.1. Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- the intention to complete the intangible asset and use it.
- the ability to use the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it.
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### 1.7.2 Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

### 1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

### 1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits 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 the LHB has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by the LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The LHB will not apply IFRS 16 to any new leases of intangible assets, applying the treatment described in section 1.7 instead.

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16.

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 the LHB has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

#### **1.11.1 The Local Health Board 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 4.81% 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 The Local Health Board as lessor**

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the LHB's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the LHB's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

### **1.12. Inventories**

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

### **1.13. Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

### **1.14. Provisions**

Provisions are recognised when the LHB has a present legal or constructive obligation as a result of a past event, it is probable that the LHB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the LHB has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the LHB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

#### **1.14.1. Clinical negligence and personal injury costs**

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2024-25. The WRPS is hosted by Velindre University NHS Trust.

#### **1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)**

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1st April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

#### **1.15. Financial Instruments**

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

#### **1.16. Financial assets**

Financial assets are recognised on the SoFP when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

##### **1.16.1. Financial assets are initially recognised at fair value**

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

##### **1.16.2. Financial assets at fair value through SoCNE**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

### **1.16.3 Held to maturity investments**

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

### **1.16.4. Available for sale financial assets**

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

### **1.16.5. Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the LHB assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

## **1.17. Financial liabilities**

Financial liabilities are recognised on the SOFP when the LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

### **1.17.1. Financial liabilities are initially recognised at fair value**

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

### **1.17.2. Financial liabilities at fair value through the SoCNE**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

### **1.17.3. Other financial liabilities**

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

### **1.18. Value Added Tax (VAT)**

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **1.19. Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

### **1.20. Third party assets**

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

### **1.21. Losses and Special Payments**

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the LHB not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The LHB accounts for all losses and special payments gross (including assistance from the WRP).

The LHB accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

### **1.22. Pooled budgets**

The NHS Wales organisation has/has not entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

### **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.

For the NHS Wales Joint Commissioning Committee (NWJCC) the critical accounting judgements and estimates within these accounts are contained within the cross border tertiary and quaternary contractual agreements with NHS England organisations. This involves a financial evaluation of the uncertainties surrounding the end of year contract flow of funds. In doing so management is required to predict performance trends for a number of low volume but exceptionally high cost procedures and treatments.

#### **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**

The LHB provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

**1.24.2. Probable & Certain Cases – Accounting Treatment**

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

<b>Remote</b>	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
<b>Possible</b>	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
<b>Probable</b>	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
<b>Certain</b>	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

\* *Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of 0.5%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

**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** - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

**IFRS 17 Insurance Contracts**, Application required for accounting periods beginning on or after 1 January 2023, Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

**IFRS 18 Presentation and Disclosure in Financial Statements** - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures** - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

### 1.30. Accounting standards issued that have been adopted early

During 2024-25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

### **1.31. Charities**

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the LHB has established that as it is the corporate trustee of the Cwm Taf Morgannwg University LHB NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Cwm Taf Morgannwg 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 Cwm Taf Morgannwg 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 Cwm Taf Morgannwg University LHB NHS Charitable Fund within the statutory accounts of the LHB. The LHB has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate.

Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts.

Details of the transactions with the charity are included in the related parties' notes.

### **1.32. Consolidation**

These accounts consolidate the financial activities of both Cwm Taf Morgannwg University Health Board and the NWJCC. Where appropriate, balances relating solely to the Health Board are disclosed separately. In line with standard consolidation practices, inter-entity transactions between the Health Board and the NWJCC have been eliminated in the consolidated totals.

## 2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years

- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

### 2.1 Revenue Resource Performance

	Annual financial performance			
	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000
<b>Net operating costs for the year</b>	1,365,069	1,393,256	<b>1,642,553</b>	<b>4,400,878</b>
Less general ophthalmic services expenditure and other non-cash limited expenditure	(107)	325	(544)	(326)
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(198)	(177)	(180)	(555)
Less any non funded revenue consequences of IFRS 16	0	(2)	(57)	(59)
Total operating expenses	1,364,764	1,393,402	<b>1,641,772</b>	<b>4,399,938</b>
Revenue Resource Allocation	1,340,283	1,393,511	<b>1,641,868</b>	<b>4,375,662</b>
<b>Under /(over) spend against Allocation</b>	<b>(24,481)</b>	<b>109</b>	<b>96</b>	<b>(24,276)</b>

Cwm Taf Morgannwg LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

The health board did not receive strategic cash-only support in 2024-25.

### 2.2 Capital Resource Performance

	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000
<b>Gross capital expenditure</b>	74,915	79,725	<b>94,861</b>	<b>249,501</b>
Add: Losses on disposal of donated assets	0	0	0	0
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(227)	(252)	(15)	(494)
Adjustment for transfers (to)/from NHS Trusts	0	0	0	0
Less capital grants received	(1,592)	(22)	(15)	(1,629)
Less donations received	(114)	(43)	(29)	(186)
Less IFRS16 Peppercorn income	0	0	0	0
Less <b>initial recognition</b> of RoU Asset Dilapidations	0	0	0	0
Charge against Capital Resource Allocation	72,982	79,408	<b>94,802</b>	<b>247,192</b>
Capital Resource Allocation	73,025	79,442	<b>94,864</b>	<b>247,331</b>
<b>(Over) / Underspend against Capital Resource Allocation</b>	<b>43</b>	<b>34</b>	<b>62</b>	<b>139</b>

Cwm Taf Morgannwg LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

**2.3 Duty to prepare a 3 year integrated plan**

The NHS Wales Planning Framework for the period 2024-2027 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The LHB submitted an Integrated Medium Term Plan for the period 2024-2027 in accordance with NHS Wales Planning Framework.

The Minister for Health and Social Services extant approval

**Status**  
**Date**

**Approved**  
09/08/2024

The LHB has 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 Health Board has achieved the following results:

	<b>2024-25</b>	2023-24
Total number of non-NHS bills paid	<b>276,812</b>	271,690
Total number of non-NHS bills paid within target	<b>266,001</b>	263,332
Percentage of non-NHS bills paid within target	<b>96.1%</b>	96.9%

**The LHB and NWJCC has met the target.**

### 3. Analysis of gross operating costs

#### 3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2024-25 Total £000	2023-24 £000
General Medical Services	100,994		100,994	90,866
Pharmaceutical Services	33,065	(7,139)	25,926	23,069
General Dental Services	31,307		31,307	27,886
General Ophthalmic Services	4,084	7,683	11,767	8,519
Other Primary Health Care expenditure	23,845		23,845	17,249
Prescribed drugs and appliances	102,849		102,849	100,488
<b>Total</b>	<b>296,144</b>	<b>544</b>	<b>296,688</b>	<b>268,077</b>

Return of excess funds from primary care contractors are included in the figures above

#### Included within other notes to the accounts

		2024-25	2023-24
Additional Primary Care Expenditure	Positive	277	0
Additional Primary Care Income	Negative	-13,667	0
<b>Overall total</b>		<b>283,298</b>	<b>268,077</b>

Income for primary care is shown in Note 4, and is broken down as follows: (£2,980k GMS); (£459k Pharmaceutical Services); (£5,881k GDS); (£18k GOS), and (£4,328k Other Primary Care Services).  
There is £277k of losses and special payments shown in Note 3.3.

#### 3.2 Expenditure on healthcare from other providers

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	<b>CTM activities Consolidated</b>	<b>CTM activities Consolidated</b>		
Goods and services from other NHS Wales Health Boards	82,747	689,493	84,095	651,663
Goods and services from other NHS Wales Trusts	38,252	351,956	28,180	331,884
Goods and services from Special Health Authorities	4,906	4,968	4,367	4,533
Goods and services from other non Welsh NHS bodies	2,193	213,025	2,489	179,933
Goods and services from NWJCC/WHSSC and EASC	166,968	0	158,430	0
Local Authorities	20,082	20,127	18,388	18,388
Voluntary organisations	3,604	7,108	4,214	6,985
NHS Funded Nursing Care	6,183	6,183	8,583	8,583
Continuing Care	69,437	69,324	60,415	60,300
Private providers	14,033	52,670	11,676	45,465
Specific projects funded by the Welsh Government	0	0	0	0
Other	0	0	0	0
<b>Total</b>	<b>408,405</b>	<b>1,414,854</b>	<b>380,837</b>	<b>1,307,734</b>

Included within CT activities figures above is the following Welsh Government funding relating to NWJCC/WHSSC and EASC activities.

	2024-25 £000	2023-24 £000
Goods and Services from NWJCC/WHSSC and EASC	19,399	13,257

## 3.3 Expenditure on Hospital and Community Health Services

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	CTM activities	Consolidated	CTM activities	Consolidated
Directors' costs	2,836	2,836	2,631	2,631
Operational Staff costs	726,535	734,720	676,186	684,135
Non operational collaborative bank staff costs	0	0	0	0
Single lead employer Staff Trainee Cost	41,250	41,250	31,589	31,589
Collaborative Bank Staff Cost	0	0	0	0
Supplies and services - clinical	114,247	114,247	106,036	106,036
Supplies and services - general	12,675	12,825	10,321	10,321
Consultancy Services	9	366	136	272
Establishment	14,161	14,334	13,824	13,962
Transport	751	751	1,568	1,568
Premises	37,144	37,707	31,553	31,789
External Contractors	0	0	0	0
Depreciation	34,539	34,539	30,595	30,595
Depreciation RoU Asset	3,206	3,206	2,929	2,929
Amortisation	705	705	747	747
Fixed asset impairments and reversals (Property, plant & equipment)	103,916	103,916	(7,555)	(7,555)
Fixed asset impairments and reversals (RoU Assets)	0	0	0	0
Fixed asset impairments and reversals (Intangible assets)	919	919	0	0
Impairments & reversals of financial assets	0	0	0	0
Impairments & reversals of non-current assets held for sale	0	0	0	0
Audit fees	458	517	512	571
Other auditors' remuneration	0	0	0	0
Losses, special payments and irrecoverable debts	3,152	3,154	3,821	3,856
Research and Development	0	0	0	0
Expense related to short-term leases	0	0	153	329
Expense related to low-value asset leases (excluding short-term leases)	0	0	287	287
Other operating expenses	3,498	3,498	2,062	2,061
<b>Total</b>	<b>1,100,001</b>	<b>1,109,490</b>	<b>907,395</b>	<b>916,123</b>

## 3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2024-25 £'000	2023-24 £'000
<b>Increase/(decrease) in provision for future payments:</b>		
Clinical negligence;		
Secondary care	48,807	30,762
Primary care	1,266	575
Redress Secondary Care	442	329
Redress Primary Care	0	0
Personal injury	1,332	694
All other losses and special payments	606	807
Defence legal fees and other administrative costs	2,173	1,087
Gross increase/(decrease) in provision for future payments	<b>54,626</b>	<b>34,254</b>
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	160	775
<b>Less: income received/due from Welsh Risk Pool</b>	<b>(51,632)</b>	<b>(31,173)</b>
<b>Total</b>	<b>3,154</b>	<b>3,856</b>
	2024-25 £	2023-24 £
Permanent injury included within personal injury £:	340,311	61,955

## 4. Miscellaneous Income

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	CTM activities	Consolidated	CTM activities	Consolidated
Local Health Boards	67,321	1,094,497	74,303	1,020,268
NWJCC/ WHSC and EASC	12,950	0	12,268	0
NHS trusts	12,311	12,989	11,187	11,454
Welsh Special Health Authorities	1,515	1,515	1,395	1,395
Foundation Trusts	0	0	0	0
Other NHS England bodies	1,288	1,288	1,268	1,268
Other NHS Bodies	0	0	0	0
Local authorities	15,895	16,931	14,702	14,702
Welsh Government	2,066	2,066	2,712	2,739
Welsh Government Hosted bodies	0	0	0	0
Non NHS:				
Prescription charge income	0	0	0	0
Dental fee income	4,112	4,112	3,344	3,344
Private patient income	187	187	573	573
Overseas patients (non-reciprocal)	0	0	0	0
Injury Costs Recovery (ICR) Scheme	1,290	1,290	1,106	1,106
Other income from activities	934	1,117	814	2,627
Patient transport services	0	0	0	0
Education, training and research	22,434	22,434	20,432	20,432
Charitable and other contributions to expenditure	564	564	0	0
Receipt of NWSSP Covid centrally purchased assets	0	0	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0	0	0
Receipt of donated assets	29	29	43	43
Receipt of Government granted assets	16	16	22	22
Right of Use Grant (Peppercorn Lease)	0	0	0	0
Non-patient care income generation schemes	616	616	640	640
NHS Wales Shared Services Partnership (NWSSP)	31	31	0	0
Deferred income released to revenue	0	0	0	0
Right of Use Asset Sub-leasing rental income	0	0	0	0
Contingent rental income from finance leases	0	0	0	0
Rental income from operating leases	0	0	0	0
Other income:				
Provision of laundry, pathology, payroll services	580	580	503	503
Accommodation and catering charges	4,753	4,753	6,548	6,548
Mortuary fees	761	761	541	541
Staff payments for use of cars	173	173	175	175
Business Unit	0	0	0	0
Scheme Pays Reimbursement Notional	0	0	0	0
Other	12,964	12,780	10,784	10,605
<b>Total</b>	<b>162,790</b>	<b>1,178,729</b>	<b>163,360</b>	<b>1,098,985</b>

Injury Cost Recovery (ICR) Scheme income is subject to a provision for impairment re personal injury claims

	2024-25 %	2023-24 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.45	23.76

**5. Investment Revenue**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
<b>Rental revenue :</b>		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
<b>Interest revenue :</b>		
Bank accounts	5	2
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Total</b>	<b>5</b>	<b>2</b>

**6. Other gains and losses**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Gain/(loss) on disposal of property, plant and equipment	188	26
Gain/(loss) on disposal other than by sale of right of use assets	0	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	18
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
<b>Total</b>	<b>188</b>	<b>44</b>

**7. Finance costs**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	315	256
Interest on obligations under PFI contracts;		
main finance cost	19	25
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	15	14
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
<b>Total interest expense</b>	<b>349</b>	<b>295</b>
Provisions unwinding of discount	93	56
Other finance costs	0	2
<b>Total</b>	<b>442</b>	<b>353</b>

## 8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

### LHB as lessee

As at 31st March 2025 Cwm Taf Morgannwg UHB had 1 operating leases agreement, 50 Vehicle Leases and 1 equipment lease.

As at 31st March 2025 the Joint Committee had the following lease agreements in place: Unit G1, The Willowford, 10 years from 10th June 2019

Unit 1, Charnwood Court, 10 years from 23rd March 2017

	2024-25	2024-25	2024-25	2023-24
	Low Value & Short Term	Other	Total	Total
	£000	£000	£000	£000
<b>Payments recognised as an expense</b>				
Minimum lease payments	1,709	899	2,608	440
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
<b>Total</b>	<b>1,709</b>	<b>899</b>	<b>2,608</b>	<b>440</b>
<b>Total future minimum lease payments</b>				
<b>Payable</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Not later than one year	4,163	391	4,554	125
Between one and five years	47	680	727	52
After 5 years	0	0	0	0
<b>Total</b>	<b>4,210</b>	<b>1,071</b>	<b>5,281</b>	<b>177</b>

### LHB as lessor

	2024-25	2023-24
	£000	£000
<b>Rental revenue</b>		
Rent	270	2,800
Contingent rents	0	0
<b>Total revenue rental</b>	<b>270</b>	<b>2,800</b>
<b>Total future minimum lease payments</b>		
<b>Receivable</b>	<b>£000</b>	<b>£000</b>
Not later than one year	189	138
Between one and five years	693	480
After 5 years	345	585
<b>Total</b>	<b>1,227</b>	<b>1,203</b>

**9. Employee benefits and staff numbers**

9.1 Employee costs	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	555,671	1,069	35,632	32,504	0	2,930	627,806	588,566
Social security costs	60,219	69	0	3,891	0	0	64,179	60,171
Employer contributions to NHS Pension Scheme	117,682	80	0	4,973	0	0	122,735	98,410
Other pension costs	222	0	0	0	0	0	222	336
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	205	0	0	0	0	0	205	504
<b>Total</b>	<b>733,999</b>	<b>1,218</b>	<b>35,632</b>	<b>41,368</b>	<b>0</b>	<b>2,930</b>	<b>815,147</b>	<b>747,987</b>

Charged to capital							3,585	1,729
Charged to revenue							811,562	746,258
							<b>815,147</b>	<b>747,987</b>

Net movement in accrued employee benefits (untaken staff leave)

242 282

Following categories of costs are included within the 'Other' heading:

- 1) Medacs/Retinue contracted staff.
- 2) IR35 applicable staff.
- 3) GP out of hours staff.

The figures above are consolidated figures.

**9.2 Average number of employees**

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,275	9	9	0	0	0	2,293	2,272
Medical and dental	816	2	63	424	0	26	1,331	1,328
Nursing, midwifery registered	3,708	2	365	0	0	0	4,075	4,017
Professional, Scientific, and technical staff	368	2	0	0	0	0	370	360
Additional Clinical Services	2,204	0	54	0	0	0	2,258	2,291
Allied Health Professions	794	0	13	0	0	2	809	753
Healthcare Scientists	209	0	4	0	0	1	214	203
Estates and Ancillary	1,002	0	84	0	0	0	1,086	1,112
Students	13	0	0	0	0	0	13	29
<b>Total</b>	<b>11,389</b>	<b>15</b>	<b>592</b>	<b>424</b>	<b>0</b>	<b>29</b>	<b>12,449</b>	<b>12,365</b>

**9.3. Retirements due to ill-health**

	2024-25	2023-24
Number	22	25
Estimated additional pension costs £	1,320,519	2,344,077

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

The figures above are consolidated figures.

**9.4 Employee benefits**

The LHB does not have an employment 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)	2024-25	2024-25	2024-25	2024-25	2023-24
	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	7	7	0	1
£10,000 to £25,000	0	3	3	0	1
£25,000 to £50,000	0	1	1	0	2
£50,000 to £100,000	0	1	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	1
<b>Total</b>	<b>0</b>	<b>12</b>	<b>12</b>	<b>0</b>	<b>5</b>

Exit packages cost band (including any special payment element)	2024-25	2024-25	2024-25	2024-25	2023-24
	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	40,712	40,712	0	9,026
£10,000 to £25,000	0	53,545	53,545	0	22,265
£25,000 to £50,000	0	39,328	39,328	0	65,000
£50,000 to £100,000	0	71,719	71,719	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	443,022
<b>Total</b>	<b>0</b>	<b>205,304</b>	<b>205,304</b>	<b>0</b>	<b>539,313</b>

Total Exit Costs Paid in Year	2024-25		2023-24
	£		
Exit costs paid in year	205,304		504,313
<b>Total</b>	<b>205,304</b>		<b>504,313</b>

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).

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

The figures above are consolidated figures.

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures

	2024-25	2024-25
	Agreements	Total value of
Type of other departures	Number	agreements
		£
Voluntary redundancies including early retirement contractual costs	8	152,679
Contractual payments in lieu of notice*	0	0
Exit payments following Employment Tribunals or court orders	4	52,625
Non-contractual payments requiring Welsh Government Approval**	0	0
Other please specify	0	0
Other please specify	0	0
<b>Total</b>	<b>12</b>	<b>205,304</b>

The figures above are consolidated figures.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

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

	2024-25			2023-24		
	£000	£000	£000	£000	£000	£000
	Chief			Chief		
	Executive	Employee	Ratio	Executive	Employee	Ratio
<b>Total pay and benefits</b>						
25th percentile pay ratio	233	28	8.3	221	26	8.4
Median pay	233	38	6.1	221	35	6.3
75th percentile pay ratio	233	50	4.7	221	47	4.7
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	233	28		221	26	
Median pay	233	38		221	35	
75th percentile pay ratio	233	50		221	47	
	Highest Paid Director			Highest Paid Director		
	Director	Employee	Ratio	Director	Employee	Ratio
<b>Total pay and benefits</b>						
25th percentile pay ratio	233	28	8.3	221	26	8.4
Median pay	233	38	6.1	221	35	6.3
75th percentile pay ratio	233	50	4.7	221	47	4.7
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	233	28		221	26	
Median pay	233	38		221	35	
75th percentile pay ratio	233	50		221	47	

In 2024-25, 29 (2023-24, 27) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £3k to £362k (2023-24, £3k to £415k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

9.6.2 Percentage Changes

	2023-24	2022-23
	to	to
	2024-25	2023-24
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	5	5
Performance pay and bonuses	5	5
% Change from previous financial year in respect of highest paid director		
Salary and allowances	5	5
Performance pay and bonuses	5	5
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	7	5
Performance pay and bonuses	7	5

## 9.7 PENSION COSTS

### 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](http://www.nhsbsa.nhs.uk/pensions). Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

#### a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

#### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

**c) National Employment Savings Trust (NEST)**

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

## 10. Public Sector Payment Policy - Measure of Compliance

### 10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	<b>2024-25</b>	<b>2024-25</b>	2023-24	2023-24
<b>NHS</b>	<b>Number</b>	<b>£000</b>	Number	£000
Total bills paid	<b>7,272</b>	<b>1,351,368</b>	6,911	1,217,265
Total bills paid within target	<b>6,259</b>	<b>1,327,248</b>	5,808	1,194,516
Percentage of bills paid within target	<b>86.1%</b>	<b>98.2%</b>	84.0%	98.1%
<b>Non-NHS</b>				
Total bills paid	<b>276,812</b>	<b>658,954</b>	271,690	620,699
Total bills paid within target	<b>266,001</b>	<b>621,454</b>	263,332	593,675
Percentage of bills paid within target	<b>96.1%</b>	<b>94.3%</b>	96.9%	95.6%
<b>Total</b>				
Total bills paid	<b>284,084</b>	<b>2,010,322</b>	278,601	1,837,964
Total bills paid within target	<b>272,260</b>	<b>1,948,702</b>	269,140	1,788,191
Percentage of bills paid within target	<b>95.8%</b>	<b>96.9%</b>	96.6%	97.3%

The figures above are consolidated figures.

### 10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	<b>2024-25</b>	2023-24
	<b>£</b>	<b>£</b>
Amounts included within finance costs (note 7) from claims made under this legislation	<b>0</b>	0
Compensation paid to cover debt recovery costs under this legislation	<b>0</b>	0
<b>Total</b>	<b>0</b>	0

The figures above are consolidated figures.

## 11.1 Property, plant and equipment

2024-25	Buildings, excluding dwellings			Assets under construction & payments on account		Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land £000	£000	Dwellings £000	£000	£000					
<b>Cost or valuation at 1 April 2024</b>	<b>35,398</b>	<b>580,715</b>	<b>8,512</b>	<b>107,610</b>	<b>100,933</b>	<b>279</b>	<b>35,775</b>	<b>3,072</b>	<b>872,294</b>	
Indexation	45	5,888	96	0	0	0	0	0	6,029	
Additions										
- purchased	0	12,310	0	60,475	10,386	0	8,259	292	91,722	
- donated	0	13	0	0	16	0	0	0	29	
- government granted	0	0	0	0	6	0	10	0	16	
Transfer from/into other NHS bodies	0	0	0	0	0	0	(19)	0	(19)	
Reclassifications	0	120,519	0	(120,702)	24	0	0	0	(159)	
Revaluations	(7)	(448)	0	0	0	0	0	0	(455)	
Reversal of impairments	332	3,827	48	0	0	0	0	0	4,207	
Impairments	(109)	(113,891)	0	0	(354)	0	0	0	(114,354)	
Reclassified as held for sale	(41)	(246)	0	0	0	0	0	0	(287)	
Disposals	0	0	0	0	(2,596)	(16)	0	(269)	(2,881)	
<b>At 31 March 2025</b>	<b>35,618</b>	<b>608,687</b>	<b>8,656</b>	<b>47,383</b>	<b>108,415</b>	<b>263</b>	<b>44,025</b>	<b>3,095</b>	<b>856,142</b>	
Depreciation at 1 April 2024	0	73,476	1,049	1	68,440	265	20,818	1,597	165,646	
Indexation	0	577	12	0	0	0	0	0	589	
Transfer from/into other NHS bodies	0	0	0	0	0	0	(9)	0	(9)	
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	(6,018)	0	0	(214)	0	0	0	(6,232)	
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	
Disposals	0	0	0	0	(2,591)	(16)	0	(269)	(2,876)	
Provided during the year	0	20,152	319	0	8,368	8	5,357	335	34,539	
<b>At 31 March 2025</b>	<b>0</b>	<b>88,187</b>	<b>1,380</b>	<b>1</b>	<b>74,003</b>	<b>257</b>	<b>26,166</b>	<b>1,663</b>	<b>191,657</b>	
<b>Net book value at 1 April 2024</b>	<b>35,398</b>	<b>507,239</b>	<b>7,463</b>	<b>107,609</b>	<b>32,493</b>	<b>14</b>	<b>14,957</b>	<b>1,475</b>	<b>706,648</b>	
<b>Net book value at 31 March 2025</b>	<b>35,618</b>	<b>520,500</b>	<b>7,276</b>	<b>47,382</b>	<b>34,412</b>	<b>6</b>	<b>17,859</b>	<b>1,432</b>	<b>664,485</b>	
<b>Net book value at 31 March 2025 comprises :</b>										
Purchased	35,618	513,251	7,276	47,382	33,922	6	17,820	1,393	656,668	
Donated	0	7,249	0	0	183	0	14	39	7,485	
Government Granted	0	0	0	0	307	0	25	0	332	
<b>At 31 March 2025</b>	<b>35,618</b>	<b>520,500</b>	<b>7,276</b>	<b>47,382</b>	<b>34,412</b>	<b>6</b>	<b>17,859</b>	<b>1,432</b>	<b>664,485</b>	
<b>Asset financing :</b>										
Owned	35,143	519,106	4,795	47,382	34,411	6	17,859	1,432	660,134	
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0	
On-SoFP PFI contracts	475	1,395	2,481	0	0	0	0	0	4,351	
PFI residual interests	0	0	0	0	0	0	0	0	0	
<b>At 31 March 2025</b>	<b>35,618</b>	<b>520,501</b>	<b>7,276</b>	<b>47,382</b>	<b>34,411</b>	<b>6</b>	<b>17,859</b>	<b>1,432</b>	<b>664,485</b>	

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	563,394
Long Leasehold	0
Short Leasehold	0
	<u>563,394</u>

Valuers 'material uncertainty, in valuation. The disclosure relates to the materiality in the valuation report not the underlying account materiality.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

In 2024-25 indexation has been applied to the land and buildings based on indices received from the Valuation Office Agency. No indexation has been applied to equipment

## 11.1 Property, plant and equipment

2023-24	Buildings, excluding dwellings		Dwellings	Assets under construction & payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land	£000							
Cost at 31 March bf	36,527	545,359	8,061	54,322	98,601	296	29,383	2,794	775,343
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	36,527	545,359	8,061	54,322	98,601	296	29,383	2,794	775,343
Indexation	(149)	18,686	225	0	0	0	0	0	18,762
Additions									
- purchased	0	4,721	0	57,463	6,614	0	6,845	278	75,921
- donated	0	5	0	0	29	0	9	0	43
- government granted	0	0	0	0	0	0	22	0	22
Transfer from/into other NHS bodies	0	0	0	0	(13)	0	0	0	(13)
Reclassifications	0	4,175	0	(4,175)	49	0	(49)	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	11,380	226	0	0	0	0	0	11,606
Impairments	(980)	(3,611)	0	0	0	0	0	0	(4,591)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(4,347)	(17)	(435)	0	(4,799)
At 31 March 2024	35,398	580,715	8,512	107,610	100,933	279	35,775	3,072	872,294
Depreciation at 31 March bf	0	56,264	714	1	64,434	274	16,489	1,310	139,486
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2023	0	56,264	714	1	64,434	274	16,489	1,310	139,486
Indexation	0	885	21	0	0	0	0	0	906
Transfer from/into other NHS bodies	0	0	0	0	(8)	0	0	0	(8)
Reclassifications	0	0	0	0	49	0	(49)	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	(541)	0	0	0	0	0	0	(541)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(4,340)	(17)	(435)	0	(4,792)
Provided during the year	0	16,868	314	0	8,305	8	4,813	287	30,595
At 31 March 2024	0	73,476	1,049	1	68,440	265	20,818	1,597	165,646
Net book value at 1 April 2023	36,527	489,095	7,347	54,321	34,167	22	12,894	1,484	635,857
Net book value at 31 March 2024	35,398	507,239	7,463	107,609	32,493	14	14,957	1,475	706,648
Net book value at 31 March 2024 comprises :									
Purchased	35,397	499,923	7,464	107,609	31,649	14	14,854	1,428	698,338
Donated	0	7,316	0	0	224	0	78	48	7,666
Government Granted	0	0	0	0	620	0	25	0	645
At 31 March 2024	35,397	507,239	7,464	107,609	32,493	14	14,957	1,476	706,649
Asset financing :									
Owned	34,927	505,767	4,951	107,609	32,493	14	14,957	1,475	702,193
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	470	1,472	2,513	0	0	0	0	0	4,455
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2024	35,397	507,239	7,464	107,609	32,493	14	14,957	1,475	706,648

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	545,645
Long Leasehold	4,455
Short Leasehold	0
	550,100

Valuers' material uncertainty, in valuation. The disclosure relates to the materiality in the valuation report not the underlying account materiality.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

**11. Property, plant and equipment (continued)****Disclosures:****i) Donated and Granted Assets**

Cwm Taf Morgannwg LHB has received the following donated and granted assets during the year:

Gazebo - Palliative Care Unit	£7k
Reception Window - Snowdrop Breast Centre	£6k
Neonatal Wireless Ventilation Monitor	£5k
ECG Machines	£10k
Ventilated Cabinet for Surgery Robot Instruments	£6k
Laptops for Placement Students	£10k
<b>Total</b>	<b>£44k</b>

**ii) Valuations**

The LHBs land and Buildings were last revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation was prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

Indexation has been applied to the land and buildings in year based on indices received from the Valuation Office Agency. No indexation has been applied to equipment.

**iii) Asset Lives**

Depreciated as follows:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

**iv) Compensation**

There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

**v) Write Downs**

During 2024-25 the following impairments arose:

	£'000
The impairments below are as a result of bringing assets into use following works onsite:	
POW Fluoroscopy Room	520
PCH Ground and First Floor Fire Enforcement Works- Section 3	90,225
Llantrisant Health Park - Infrastructure for Mobile MRI	640
POW Roof and Compliance Programme - Zone 1	6,049
Glanrhyd Hospital - Installation of PV Panels	536
POW Emergency Department Improvement Works	568
YGT Additional Capacity Works	75

The impairments below are as a result of areas not being available for use as at the reporting date:

POW Roof Zones 2-4	6,398
Taith Newydd Low Secure Unit - Fire Damage	2,627

**Other impairments**

Ventilators donated for COVID-19 pandemic	140
Pontypridd Health Centre Revalued as Asset Held for Sale	798

Total	108,576
Reversal of Impairments	(4,207)

**vi)** The LHB does not hold any property where the value is materially different from its open market value.

**vii) Assets Held for Sale or sold in the period**

Pontypridd Health Centre has been classified as an Asset Held for Sale in the period

**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
<b>Balance brought forward 1 April 2024</b>	0	0	0	0	0	0
Plus assets classified as held for sale in the year	41	246	0	0	0	287
Revaluation	0	0	0	0	0	0
Less assets sold in the year	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
<b>Balance carried forward 31 March 2025</b>	<b>41</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>287</b>
Balance brought forward 1 April 2023	71	174	0	0	0	245
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	(71)	(174)	0	0	0	(245)
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2024	0	0	0	0	0	0





**11.3 Right of Use Assets continued**  
**Quantitative disclosures**

	2024-25			2024-25	2023-24
	Land	Buildings	Other	Total	Total
	£000	£000	£000	£000	£000
<b>Maturity analysis</b>					
<b>Contractual undiscounted cash flows relating to lease liabilities</b>					
Less than 1 year	0	1,909	936	2,845	2,685
2-5 years	0	6,507	2,665	9,172	9,560
> 5 years	49	8,837	985	9,871	11,118
Less finance charges allocated to future periods	-46	-1,108	-419	-1,573	-1,677
<b>Total</b>	<b>3</b>	<b>16,145</b>	<b>4,167</b>	<b>20,315</b>	<b>21,686</b>
<b>Lease Liabilities (net of irrecoverable VAT)</b>				<b>2024-25</b>	<b>2023-24</b>
Current				2,573	2,406
Non-Current				17,742	19,280
<b>Total</b>				<b>20,315</b>	<b>21,686</b>
<b>Amounts Recognised in Statement of Comprehensive Net Expenditure</b>				<b>2024-25</b>	<b>2023-24</b>
Depreciation				3,206	2,929
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				315	256
Sub-leasing income				0	0
Expense related to short-term leases				0	329
Expense related to low-value asset leases (excluding short-term leases)				0	287
<b>Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT )</b>					
Interest expense				-315	-256
Repayments of principal on leases				-3,080	-2,883
<b>Total</b>				<b>-3395</b>	<b>-3,139</b>

## 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 31 March bf	4,278	0	1,807	0	0	0	6,085
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
Cost or valuation at 1 April 2024	4,278	0	1,807	0	0	0	6,085
Revaluation	0	0	0	0	0	0	0
Reclassifications	(761)	0	0	0	0	921	160
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	(921)	(921)
Additions- purchased	587	0	31	0	0	766	1,384
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	(125)	0	(7)	0	0	0	(132)
<b>Gross cost at 31 March 2025</b>	<b>3,979</b>	<b>0</b>	<b>1,831</b>	<b>0</b>	<b>0</b>	<b>766</b>	<b>6,576</b>
Amortisation at 31 March bf	2,449	0	1,544	0	0	0	3,993
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
Amortisation at 1 April 2024	2,449	0	1,544	0	0	0	3,993
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	2	2
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	(2)	(2)
Provided during the year	697	0	8	0	0	0	705
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	(125)	0	(7)	0	0	0	(132)
<b>Amortisation at 31 March 2025</b>	<b>3,021</b>	<b>0</b>	<b>1,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,566</b>
<b>Net book value at 1 April 2024</b>	<b>1,829</b>	<b>0</b>	<b>263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,092</b>
<b>Net book value at 31 March 2025</b>	<b>958</b>	<b>0</b>	<b>286</b>	<b>0</b>	<b>0</b>	<b>766</b>	<b>2,010</b>
<b>At 31 March 2025</b>							
Purchased	1,168	0	68	0	0	766	2,002
Donated	8	0	0	0	0	0	8
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
<b>Total at 31 March 2025</b>	<b>1,176</b>	<b>0</b>	<b>68</b>	<b>0</b>	<b>0</b>	<b>766</b>	<b>2,010</b>

## 12. Intangible non-current assets

2023-24

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure (internally generated)	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 31 March bf	4272	0	1807	0	0	0	6079
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	4,272	0	1,807	0	0	0	6,079
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
Impairments	0	0	0	0	0	0	0
Additions- purchased	6	0	0	0	0	0	6
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
<b>Gross cost at 31 March 2024</b>	<b>4,278</b>	<b>0</b>	<b>1,807</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,085</b>
Amortisation at 31 March bf	1,731	0	1,515	0	0	0	3,246
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
Amortisation at 1 April 2023	1,731	0	1,515	0	0	0	3,246
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	718	0	29	0	0	0	747
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
<b>Amortisation at 31 March 2024</b>	<b>2,449</b>	<b>0</b>	<b>1,544</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,993</b>
<b>Net book value at 1 April 2023</b>	<b>2,541</b>	<b>0</b>	<b>292</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,833</b>
<b>Net book value at 31 March 2024</b>	<b>1,829</b>	<b>0</b>	<b>263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,092</b>
<b>At 31 March 2024</b>							
Purchased	1,811	0	260	0	0	0	2,071
Donated	15	0	3	0	0	0	18
Government Granted	3	0	0	0	0	0	3
Internally generated	0	0	0	0	0	0	0
<b>Total at 31 March 2024</b>	<b>1,829</b>	<b>0</b>	<b>263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,092</b>

## Additional disclosures re Intangible Assets

### Disclosures:

#### i) Donated Assets

Cwm Taf Morgannwg LHB has not received any donated intangible assets during the year.

#### ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

#### iii) Asset Lives

The useful economic life of Intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL and the UEL of internally generated software is based on the professional judgement of LHB professionals and Finance staff.

#### iv) Additions during the period

Hospital Electronic Prescribing Medicines Administration £766k

MRI Software upgrade £216k

Web Filtering Software £279k

Server virtualisation £70k

Other £54k

#### v) Disposals during the period

There were disposals of 7 intangible assets in the year which were fully depreciated

#### vi) Impairments

WEDS (Welsh Emergency Department Software) was impaired in the year at £921k . WEDS was a scheme in development over a number of years but has now been confirmed that the system will not go live in Cwm Taf Morgannwg LHB.

**13 . Impairments**

	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25
	Property, plant & equipment £000	Right of Use Assets £000	Intangible assets £000	Held for sale assets £000	Financial Assets £000	Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	2,627	0	0	0	0	2,627
Abandonment in the course of construction	0	0	919	0	0	919
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)	105,950	0	0	0	0	105,950
Reversal of Impairments	(4,207)	0	0	0	0	(4,207)
<b>Total of all impairments</b>	<b>104,370</b>	<b>0</b>	<b>919</b>	<b>0</b>	<b>0</b>	<b>105,289</b>

**Analysis of impairments charged to reserves in year :**

Impairments charged to the Statement of Comprehensive Net Expenditure	103,916	0	919	0	0	104,835
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	454	0	0	0	0	454
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
<b>Total</b>	<b>104,370</b>	<b>0</b>	<b>919</b>	<b>0</b>	<b>0</b>	<b>105,289</b>

	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24
	Property, plant & equipment £000	Right of Use Assets £000	Intangible assets £000	Held for sale assets £000	Financial Assets £000	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	45	0	0	0	0	45
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)	4,155	0	0	0	0	4,155
Reversal of Impairments	(11,606)	0	0	0	0	(11,606)
<b>Total of all impairments</b>	<b>(7,406)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(7,406)</b>

**Analysis of impairments charged to reserves in year :**

Impairments charged to the Statement of Comprehensive Net Expenditure	(7,555)	0	0	0	0	(7,555)
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	149	0	0	0	0	149
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
<b>Total</b>	<b>(7,406)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(7,406)</b>

Please see detail of impairments in Note 11 - Property, Plant &amp; Equipment and Note 12 - Intangibles

**14.1 Inventories**

	<b>31 March</b>	31 March
	<b>2025</b>	2024
	<b>£000</b>	£000
Drugs	<b>3,608</b>	3,450
Consumables	<b>3,924</b>	3,729
Energy	<b>187</b>	188
Work in progress	<b>0</b>	0
Other	<b>0</b>	0
<b>Total</b>	<b>7,719</b>	7,367
Of which held at realisable value	<b>0</b>	0

**14.2 Inventories recognised in expenses**

	<b>31 March</b>	31 March
	<b>2025</b>	2024
	<b>£000</b>	£000
Inventories recognised as an expense in the period	<b>22</b>	5
Write-down of inventories (including losses)	<b>0</b>	0
Reversal of write-downs that reduced the expense	<b>0</b>	0
<b>Total</b>	<b>22</b>	5

## 15. Trade and other Receivables

Current	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
	CTM activities	Consolidated	CTM activities	Consolidated
Welsh Government	2,237	2,237	3,408	3,408
NWJCC/WHSSC and EASC	183	0	508	0
Welsh Health Boards	5,264	22,850	3,562	25,158
Welsh NHS Trusts	4,022	4,575	3,988	4,733
Welsh Special Health Authorities	814	814	993	993
Non - Welsh Trusts	297	1,410	270	1,024
Other NHS	0	0	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	23	23	4	4
Welsh Risk Pool Claim reimbursement;		0		
NHS Wales Secondary Health Sector	55,476	55,476	38,436	38,436
NHS Wales Primary Sector FLS Reimbursement	1,922	1,922	623	623
NHS Wales Redress	887	887	748	748
Other	0	0	0	0
Local Authorities	13,673	14,563	8,886	8,886
Capital receivables - Tangible	0	0	0	0
Capital receivables - Intangible	0	0	0	0
Other receivables	10,630	10,735	10,794	10,804
Provision for irrecoverable debts	(3,911)	(3,911)	(3,716)	(3,716)
NHS Pension Prepayments	0	0	0	0
NEST Pension Repayments	0	0	0	0
Other prepayments	10,208	10,294	9,107	9,268
Other accrued income	1,126	1,126	124	124
<b>Sub total</b>	<b>102,851</b>	<b>123,001</b>	<b>77,735</b>	<b>100,493</b>
<b>Non-current</b>				
Welsh Government	0	0	0	0
NWJCC/WHSSC and EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Welsh Special Health Authorities	0	0	0	0
Non - Welsh Trusts	0	0	0	0
Other NHS	0	0	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	538	538	543	543
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	93,704	93,704	66,648	66,648
NHS Wales Primary Sector FLS Reimbursement	0	0	0	0
NHS Wales Redress	5	5	0	0
Other	0	0	0	0
Local Authorities	0	0	0	0
Capital receivables - Tangible	0	0	0	0
Capital receivables - Intangible	0	0	0	0
Other receivables	0	0	0	0
Provision for irrecoverable debts	0	0	0	0
NHS Pension Prepayments	0	0	0	0
NEST Pension Repayments	0	0	0	0
Other prepayments	0	0	0	0
Other accrued income	0	0	0	0
<b>Sub total</b>	<b>94,247</b>	<b>94,247</b>	<b>67,191</b>	<b>67,191</b>
<b>Total</b>	<b>197,098</b>	<b>217,248</b>	<b>144,926</b>	<b>167,684</b>

**15. Trade and other Receivables**

	31 March 2025 £000	31 March 2025 £000	31 March 2024 £000	31 March 2024 £000
	CTM activities	Consolidated	CTM activities	Consolidated
<b>Receivables past their due date but not impaired</b>				
By up to three months	2,278	2,278	2,633	2,633
By three to six months	1,207	1,292	385	387
By more than six months	2,543	2,549	877	883
	<u>6,028</u>	<u>6,119</u>	<u>3,895</u>	<u>3,903</u>

**Expected Credit Losses (ECL) / Provision for impairment of receivables**

Balance at 1 April	(3,716)	(2,922)	(2,922)	(2,922)
Transfer from other NHS Wales body	0	0	0	0
Amount written off during the year	1	0	3	0
Amount recovered during the year	0	0	0	0
(Increase) / decrease in receivables impaired	(164)	0	(797)	0
Bad debts recovered during year	0	0	0	0
Balance at 31 March	<u>(3,879)</u>	<u>(2,922)</u>	<u>(3,716)</u>	<u>(2,922)</u>

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

**Receivables VAT**

Trade receivables	0	0	0	0
Other	4,739	0	1,414	0
Total	<u>4,739</u>	<u>0</u>	<u>1,414</u>	<u>0</u>

**16. Other Financial Assets**

	Current		Non-current	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
<b>Financial assets</b>				
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	0	0	0	0
Derivatives	0	0	0	0
Other				
Right of Use Asset Finance Sublease	0	0	0	0
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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	2024-25	2023-24
RoU Sub-leasing income	0	0

**17. Cash and cash equivalents**

	2024-25	2024-25	2023-24	2023-24
	£000	£000	£000	£000
	CTM activities	Consolidated	CTM activities	Consolidated
Balance at 1 April	1,485	16,505	1,348	19,256
Net change in cash and cash equivalent balances	3,740	16,591	137	(2,751)
Balance at 31 March	<b>5,225</b>	<b>33,096</b>	1,485	16,505
Made up of:				
Cash held at GBS	4,895	32,766	1,339	16,359
Commercial banks	307	307	94	94
Cash in hand	23	23	52	52
<b>Cash Total</b>	<b>5,225</b>	<b>33,096</b>	1,485	16,505
Current Investments	0	0	0	0
<b>Cash and cash equivalents as in Statement of Financial Position</b>	<b>5,225</b>	<b>33,096</b>	1,485	16,505
Bank overdraft - GBS	0	0	0	0
Bank overdraft - Commercial banks	0	0	0	0
<b>Cash and cash equivalents as in Statement of Cash Flows</b>	<b>5,225</b>	<b>33,096</b>	1,485	16,505

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) (£1,371k)  
PFI liabilities (£179k)

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

## 18. Trade and other payables

Current	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
	CTM activities	Consolidated	CTM activities	Consolidated
Welsh Government	128	128	61	61
NWJCC/WHSSC and EASC	2,947	0	4,082	0
Welsh Health Boards	7,567	22,363	5,900	24,985
Welsh NHS Trusts	5,804	6,173	3,073	3,987
Welsh Special Health Authorities	1,384	1,462	1,315	1,315
Other NHS	1,900	37,992	1,669	25,694
Taxation and social security payable / refunds	0	83	0	82
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	0	0	0	0
Other taxes payable to HMRC	4,761	4,761	497	497
NI contributions payable to HMRC	4,106	4,182	530	614
Non-NHS payables revenue	18,298	23,193	15,070	20,024
Local Authorities	4,877	4,877	14,762	14,762
Capital Creditors-Tangible	15,199	15,199	7,410	7,410
Capital Creditors- Intangible	11	11	12	12
Overdraft	0	0	0	0
Rentals due under operating leases	0	0	0	0
RoU Lease Liability	2,573	2,573	2,406	2,406
Obligations under finance leases, HP contracts			0	0
Imputed finance lease element of on SoFP PFI contracts	185	185	179	179
Impact of IFRS 16 on SoFP PFI contracts	99	99	82	82
Pensions: staff	10,383	10,383	9,420	9,420
Non NHS Accruals	104,708	111,082	85,831	90,342
Deferred Income:				
Deferred Income brought forward	1,881	1,881	2,057	2,057
Deferred Income Additions	1,757	1,757	1,567	1,567
Transfer to / from current/non current deferred income	0	0	0	0
Released to SoCNE	(1,704)	(1,704)	(1,743)	(1,743)
Other creditors	4,060	4,060	5,743	5,743
PFI assets –deferred credits	0	0	0	0
Payments on account	0	2	0	2
<b>Total</b>	<b>190,924</b>	<b>250,742</b>	<b>159,923</b>	<b>209,498</b>
<b>Non-current</b>				
Welsh Government	0	0	0	0
NWJCC/WHSSC and EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Welsh Special Health Authorities	0	0	0	0
Other NHS	0	0	0	0
Taxation and social security payable / refunds	0	0	0	0
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	0	0	0	0
Other taxes payable to HMRC	0	0	0	0
NI contributions payable to HMRC	0	0	0	0
Non-NHS payables revenue	0	0	0	0
Local Authorities	0	0	0	0
Capital Creditors-Tangible	0	0	0	0
Capital Creditors- Intangible	0	0	0	0
Overdraft	0	0	0	0
Rentals due under operating leases	0	0	0	0
RoU Lease Liability	17,742	17,742	19,280	19,280
Obligations under finance leases, HP contracts			0	0
Imputed finance lease element of on SoFP PFI contracts	439	439	624	624
Impact of IFRS 16 on SoFP PFI contracts	267	267	309	309
Pensions: staff	0	0	0	0
Non NHS Accruals	0	0	0	0
Deferred Income :				
Deferred Income brought forward	0	0	0	0
Deferred Income Additions	0	0	0	0
Transfer to / from current/non current deferred income	0	0	0	0
Released to SoCNE	0	0	0	0
Other creditors	0	0	0	0
PFI assets –deferred credits	0	0	0	0
Payments on account	0	0	0	0
<b>Sub Total</b>	<b>18,448</b>	<b>18,448</b>	<b>20,213</b>	<b>20,213</b>
<b>Total</b>	<b>209,372</b>	<b>269,190</b>	<b>180,136</b>	<b>229,711</b>

It is intended 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 2025 £000	31 March 2025 £000	31 March 2024 £000	31 March 2024 £000
	CTM activities	Consolidated	CTM activities	Consolidated
Between one and two years	0	0	0	0
Between two and five years	0	0	0	0
In five years or more	0	0	0	0
Sub-total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**19. Other financial liabilities**

Financial liabilities	Current		Non-current	
	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000	31 March 2024 £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
<b>Total</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

20. Provisions

2024-25	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>									
Clinical negligence-									
Secondary care	28,003	0	(2,761)	5,982	16,511	(6,531)	(5,947)	0	35,257
Primary care	575	0	0	0	1,685	(221)	(419)	0	1,620
Redress Secondary care	335	0	(163)	0	486	(166)	(49)	0	443
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	971	0	(47)	461	1,114	(732)	(26)	0	1,741
All other losses and special payments	0	0	0	0	606	(606)	0	0	0
Defence legal fees and other administration	1,888	0	0	291	1,852	(1,272)	(532)	0	2,227
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	23			11	241	(263)	0	0	12
2019-20 Scheme Pays - Reimbursement	4			13	23	(17)	0	0	23
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,994		0	0	1,735	(797)	0		2,932
<b>Total</b>	<b>33,793</b>	<b>0</b>	<b>(2,971)</b>	<b>6,758</b>	<b>24,253</b>	<b>(10,605)</b>	<b>(6,973)</b>	<b>0</b>	<b>44,255</b>
<b>Non Current</b>									
Clinical negligence-									
Secondary care	63,813	0	0	(5,982)	44,733	(1,678)	(6,490)	0	94,396
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	5	0	0	0	5
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	3,490	0	0	(461)	244	(3)	0	92	3,362
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,137	0	0	(291)	994	(312)	(141)		1,387
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	11			(11)	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	543			(13)	7	0	0	0	537
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
<b>Total</b>	<b>68,994</b>	<b>0</b>	<b>0</b>	<b>(6,758)</b>	<b>45,983</b>	<b>(1,993)</b>	<b>(6,631)</b>	<b>92</b>	<b>99,687</b>
<b>TOTAL</b>									
Clinical negligence-									
Secondary care	91,816	0	(2,761)	0	61,244	(8,209)	(12,437)	0	129,653
Primary care	575	0	0	0	1,685	(221)	(419)	0	1,620
Redress Secondary care	335	0	(163)	0	491	(166)	(49)	0	448
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	4,461	0	(47)	0	1,358	(735)	(26)	92	5,103
All other losses and special payments	0	0	0	0	606	(606)	0	0	0
Defence legal fees and other administration	3,025	0	0	0	2,846	(1,584)	(673)	0	3,614
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	34			0	241	(263)	0	0	12
2019-20 Scheme Pays - Reimbursement	547			0	30	(17)	0	0	560
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,994		0	0	1,735	(797)	0	0	2,932
<b>Total</b>	<b>102,787</b>	<b>0</b>	<b>(2,971)</b>	<b>0</b>	<b>70,236</b>	<b>(12,598)</b>	<b>(13,604)</b>	<b>92</b>	<b>143,942</b>

Expected timing of cash flows:

	In year to 31 March 2026	Between 1 April 2026 and 31 March 2030	Thereafter	Total
	£000	£000	£000	£000
Clinical negligence-				
Secondary care	35,257	94,396	0	129,653
Primary care	1,620	0	0	1,620
Redress Secondary care	443	5	0	448
Redress Primary care	0	0	0	0
Personal injury	1,741	1,075	2,287	5,103
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	2,227	1,387	0	3,614
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	12	0	0	12
2019-20 Scheme Pays - Reimbursement	23	537	0	560
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	2,932	0	0	2,932
<b>Total</b>	<b>44,255</b>	<b>97,400</b>	<b>2,287</b>	<b>143,942</b>

The figures above are consolidated.

## 20. Provisions (continued)

2023-24	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>									
Clinical negligence:-									
Secondary care	23,417	(774)	(4,030)	9,805	12,850	(2,583)	(10,682)	0	28,003
Primary care	0	0	0	0	575	0	0	0	575
Redress Secondary care	336	0	(177)	0	375	(154)	(45)	0	335
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	525	0	(47)	655	588	(778)	28	0	971
All other losses and special payments	0	0	0	0	807	(807)	0	0	0
Defence legal fees and other administration	1,486	0	0	324	1,317	(735)	(504)		1,888
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	36			26	240	(279)	0	0	23
2019-20 Scheme Pays - Reimbursement	0			8	4	(8)	0	0	4
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,880		0	0	719	(153)	(452)		1,994
<b>Total</b>	<b>27,680</b>	<b>(774)</b>	<b>(4,254)</b>	<b>10,818</b>	<b>17,475</b>	<b>(5,497)</b>	<b>(11,655)</b>	<b>0</b>	<b>33,793</b>
<b>Non Current</b>									
Clinical negligence:-									
Secondary care	46,257	0	0	(9,805)	31,485	(2,006)	(2,118)	0	63,813
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	4,018	0	0	(655)	78	(20)	0	69	3,490
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,352	0	0	(324)	382	(165)	(108)		1,137
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	38			(26)	(2)	0	0	1	11
2019-20 Scheme Pays - Reimbursement	499			(8)	52	0	0	0	543
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
<b>Total</b>	<b>52,164</b>	<b>0</b>	<b>0</b>	<b>(10,818)</b>	<b>31,995</b>	<b>(2,191)</b>	<b>(2,226)</b>	<b>70</b>	<b>68,994</b>
<b>TOTAL</b>									
Clinical negligence:-									
Secondary care	69,674	(774)	(4,030)	0	44,335	(4,589)	(12,800)	0	91,816
Primary care	0	0	0	0	575	0	0	0	575
Redress Secondary care	336	0	(177)	0	375	(154)	(45)	0	335
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	4,543	0	(47)	0	666	(798)	28	69	4,461
All other losses and special payments	0	0	0	0	807	(807)	0	0	0
Defence legal fees and other administration	2,838	0	0	0	1,699	(900)	(612)		3,025
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	74			0	238	(279)	0	1	34
2019-20 Scheme Pays - Reimbursement	499			0	56	(8)	0	0	547
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,880		0	0	719	(153)	(452)		1,994
<b>Total</b>	<b>79,844</b>	<b>(774)</b>	<b>(4,254)</b>	<b>0</b>	<b>49,470</b>	<b>(7,688)</b>	<b>(13,881)</b>	<b>70</b>	<b>102,787</b>

The expected timing of cashflows are based on best available information; but they could change on the basis of individual case changes.

The Legal & Risk Service (part of the NHS Wales Shared Service Partnership) provide details of Clinical Negligence and personal Injury cases including estimated settlement amounts and the timing of the cashflow.

The provision for Permanent Injury Benefit is supplied by NHS Pensions Agency.

Other provisions include £325k for Continuing Healthcare retrospective claims.

The Health Board estimates that it will receive £93,703k from the Welsh Risk Pool in respect of losses and special payments cases (including Clinical Negligence, Redress and Personal Injury). In addition to the provisions shown above, contingent liabilities are given in Note 21.1 Contingent Liabilities.

The figures above are consolidated.

## 21. Contingencies

### 21.1 Contingent liabilities

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Provisions have not been made in these accounts for the following amounts :		
Legal claims for alleged medical or employer negligence;		
Secondary Care	<b>245,145</b>	259,795
Primary Care	<b>3,966</b>	1,621
Secondary Care Redress	<b>2,150</b>	1,722
Primary Care Redress	<b>0</b>	0
Doubtful debts	<b>0</b>	0
Equal Pay costs	<b>0</b>	0
Defence costs	<b>3,427</b>	2,726
Continuing Health Care costs	<b>737</b>	476
Other	<b>0</b>	25
Total value of disputed claims	<b>255,425</b>	266,365
Amounts (recoverable) in the event of claims being successful	<b>(252,156)</b>	(263,198)
<b>Net contingent liability</b>	<b>3,269</b>	3,167

The figures above are consolidated.

**21.2 Remote Contingent liabilities**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Please disclose the values of the following categories of remote contingent liabilities :		
Guarantees	0	0
Indemnities	184	298
Letters of Comfort	0	0
<b>Total</b>	<b>184</b>	<b>298</b>

**21.3 Contingent assets**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
No contingent assets	0	0
	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**22. Capital commitments****Contracted capital commitments at 31 March**

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Property, plant and equipment	50,748	79,105
Right of Use Assets	0	0
Intangible assets	0	0
<b>Total</b>	<b>50,748</b>	<b>79,105</b>

## 23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

### Gross loss to the Exchequer

#### 23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2025	
	Number of cases	£
Clinical negligence:-		
Secondary Care	97	12,339,811
Primary Care	4	224,400
Redress Secondary Care	60	343,494
Redress Primary Care	0	0
Personal injury	51	948,637
All other losses and special payments	299	605,631
<b>Total</b>	<b>511</b>	<b>14,461,973</b>

#### 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 £	
	Number of cases	£		
<b>Cases in excess of £300,000:</b>				
<b>L&amp;R Case reference number</b>				
103/3740	Clinical Negligence	1	1,280,000	1,280,000
103/4088	Clinical Negligence	1	1,078,000	1,428,000
103/0990	Clinical Negligence	1	860,000	4,195,823
103/2074	Clinical Negligence	1	818,231	1,195,040
103/1398	Clinical Negligence	1	700,000	2,950,000
103/3268	Clinical Negligence	1	690,000	710,000
103/4873	Clinical Negligence	1	430,397	430,397
103/3599	Clinical Negligence	1	326,000	326,000
103/5030	Clinical Negligence	1	325,000	325,000
103/3732	Clinical Negligence	1	305,000	718,643
		<b>Number of cases</b>	<b>£</b>	
<b>Sub-total</b>		<b>10</b>	<b>6,812,628</b>	<b>13,558,903</b>
<b>All other cases paid in year</b>		<b>501</b>	<b>7,649,344</b>	<b>16,617,289</b>
<b>Total cases paid in year</b>		<b>511</b>	<b>14,461,972</b>	<b>30,176,192</b>

#### 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	129	4,782,175
Cumulative amount greater than £300k	7	8,791,052
<b>Total</b>	<b>136</b>	<b>13,573,227</b>

The figures above are consolidated.

**24. Right of Use leases obligations****24.1 Obligations (as lessee)****Amounts payable under right of use asset :**

2024-25	Land	Buildings	Other	Total
	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000
<b>Minimum lease payments</b>				
Within one year	0	1,909	936	2,845
Between one and five years	0	6,507	2,665	9,172
After five years	49	8,837	985	9,871
Less finance charges allocated to future periods	(46)	(1,108)	(419)	(1,573)
Minimum lease payments	3	16,145	4,167	20,315
Included in:				
Current borrowings	0	1,744	829	2,573
Non-current borrowings	3	14,401	3,338	17,742
	3	16,145	4,167	20,315

**Present value of minimum lease payments**

Within one year	0	1,744	829	2,573
Between one and five years	0	6,029	2,410	8,439
After five years	3	8,372	929	9,304
Present value of minimum lease payments	3	16,145	4,168	20,316
Included in:				
Current borrowings	0	1,744	829	2,573
Non-current borrowings	3	14,401	3,338	17,742
	3	16,145	4,167	20,315

**Amounts payable under right of use asset :**

2023-24	Land	Buildings	Other	Total
	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000
<b>Minimum lease payments</b>				
Within one year	11	1,832	842	2,685
Between one and five years	0	6,687	2,873	9,560
After five years	2	9,576	1,540	11,118
Less finance charges allocated to future periods	(3)	(1,139)	(535)	(1,677)
Minimum lease payments	10	16,956	4,720	21,686
Included in:				
Current borrowings	10	1,674	721	2,405
Non-current borrowings	3	15,278	4,000	19,281
	13	16,952	4,721	21,686

**Present value of minimum lease payments**

Within one year	10	1,674	721	2,405
Between one and five years	0	6,221	2,558	8,779
After five years	3	9,056	1,442	10,501
Present value of minimum lease payments	13	16,951	4,721	21,685
Included in:				
Current borrowings	10	1,674	721	2,405
Non-current borrowings	3	15,278	4,000	19,281
	13	16,952	4,721	21,686

**24.2 Right of Use Assets lease receivables (as lessor)**

CTM UHB does not have any ROU asset lease receivables

<b>Amounts receivable under right of use assets leases:</b>	<b>2024-25</b>	2023-24
	<b>31 March</b>	31 March
	<b>2024</b>	2023
	<b>£000</b>	£000
<b>Gross Investment in leases</b>		
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	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
<b>Present value of minimum lease payments</b>		
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	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

**25. Private Finance Initiative contracts**

**25.1 PFI schemes off-Statement of Financial Position**

The LHB has no PFI Schemes off-statement of financial position.

Commitments under off-SoFP PFI contracts	Off-SoFP PFI contracts	Off-SoFP PFI contracts
	31 March 2025 £000	31 March 2024 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>
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
<b>Staff Residences - Royal Glamorgan Hospital</b>	<b>2,956</b>
<b>Contract start date:</b>	<b>09/10/1998</b>
<b>Contract end date:</b>	<b>21/09/2028</b>

Scheme Description

The staff residences scheme covers the design, build, financing and operation of staff accommodation on the Royal Glamorgan Hospital site. The Health Board entered into a project agreement with Charter Housing Association on the 9th October 1998.

	£000
<b>Combined Heat and Power Plant-Prince Charles Hospital</b>	<b>1,395</b>
<b>Contract start date:</b>	<b>01/04/2004</b>
<b>Contract end date:</b>	<b>31/03/2029</b>

The contract is for the installation, operation, maintenance and ownership of a Combined Heat and Power plant and the complete management and operation of a central boiler plant installation, light fittings and building management system on the Prince Charles Hospital site.

The contract includes performance guarantees for the supply of hot water and electricity.

The charging structure requires the Health Board to pay for heat (in the form of hot water) created from the electricity generated by the Combined Heat and Power plant being supplied free of charge to the Health Board.

**Total obligations for on-Statement of Financial Position PFI contracts due:**

	On SoFP PFI Capital element 31 March 2025 £000	On SoFP PFI IFRS 16 impact Finance Charge 31 March 2025 £000	On SoFP PFI Imputed interest 31 March 2025 £000	On SoFP PFI Service charges 31 March 2025 £000
Total payments due within one year	185	99	25	669
Total payments due between 1 and 5 years	439	267	25	1,917
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	<u>624</u>	<u>366</u>	<u>50</u>	<u>2,586</u>

	On SoFP PFI Capital element 31 March 2024 £000	On SoFP PFI IFRS 16 impact Finance Charge 31 March 2024 £000	On SoFP PFI Imputed interest 31 March 2024 £000	On SoFP PFI Service charges 31 March 2024 £000
Total payments due within one year	261	0	31	675
Total payments due between 1 and 5 years	933	0	45	2,451
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	<u>1,194</u>	<u>0</u>	<u>76</u>	<u>3,126</u>

	31 March 2025 £000
Total present value of obligations for on-SoFP PFI contracts	<b>3,634</b>

**25.3 Charges to expenditure**

	2024-25	2023-24
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	669	675
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	<u>669</u>	<u>675</u>

The LHB is committed to the following annual charges

	31 March 2025	31 March 2024
	£000	£000
<b>PFI scheme expiry date:</b>		
Not later than one year	0	0
Later than one year, not later than five years	669	675
Later than five years	0	0
<b>Total</b>	<u>669</u>	<u>675</u>

The estimated annual payments in future years will vary from those which the LHB 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	2	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

	On / Off- statement of financial position
<b>PFI Contract</b>	
Number of PFI contracts which individually have a total commitment > £500m	0

<b>PFI Contract</b>	
Staff residences, Royal Glamorgan Hospital	On
Combined heat and power plant, Prince Charles Hospital	On

**25.5 The LHB has no Public Private Partnerships**

## 26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The LHB 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 LHB 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 LHB in undertaking its activities.

### **Currency risk**

The LHB is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The LHB has no overseas operations. The LHB therefore has low exposure to currency rate fluctuations.

### **Interest rate risk**

LHBs are not permitted to borrow. The LHB therefore has low exposure to interest rate fluctuations

### **Credit risk**

Because the majority of the LHB's funding derives from funds voted by the Welsh Government the LHB has low exposure to credit risk.

### **Liquidity risk**

The LHB 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 LHB is not, therefore, exposed to significant liquidity risks.

## 27. Movements in working capital

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	CTM activities	Consolidated	CTM activities	Consolidated
(Increase)/decrease in inventories	(352)	(352)	(350)	(350)
(Increase)/decrease in trade and other receivables - non-current	(27,056)	(27,056)	(19,583)	(19,583)
(Increase)/decrease in trade and other receivables - current	(25,116)	(22,508)	(3,113)	(8,391)
Increase/(decrease) in trade and other payables - non-current	(1,765)	(1,765)	144	144
Increase/(decrease) in trade and other payables - current	31,001	41,244	(9,132)	(6,427)
<b>Total</b>	<b>(23,288)</b>	<b>(10,437)</b>	<b>(32,034)</b>	<b>(34,607)</b>
Adjustment for accrual movements in fixed assets - creditors	(7,788)	(7,788)	537	537
Adjustment for accrual movements in fixed assets - debtors	0	0	(3)	(3)
Adjustment for accrual movements in right of use assets - creditors	1,371	1,371	(848)	(848)
Adjustment for accrual movements in right of use assets - debtors	0	0	0	0
Other adjustments	250	249	(218)	(218)
	<b>(29,455)</b>	<b>(16,605)</b>	<b>(32,566)</b>	<b>(35,139)</b>

The other adjustments figure is the adjustment for movement in the PFI creditor.

## 28. Other cash flow adjustments

	2024-25 £000	2024-25 £000	2023-24 £000	2023-24 £000
	CTM activities	Consolidated	CTM activities	Consolidated
Depreciation	37,745	37,745	33,524	33,524
Amortisation	705	705	747	747
(Gains)/Loss on Disposal	(188)	(188)	(44)	(44)
Impairments and reversals	104,835	104,835	(7,555)	(7,555)
Release of PFI deferred credits	0	0	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0	0	0
Covid assets received credited to revenue but non-cash	0	0	0	0
Donated assets received credited to revenue but non-cash	(29)	(29)	(43)	(43)
Government Grant assets received credited to revenue but non-cash	(16)	(16)	(22)	(22)
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0	0	0
Non-cash movements in right of use assets	0	0	0	0
Non-cash movements in provisions	53,753	53,753	30,911	30,631
Other movements	46,879	46,879	28,823	28,823
<b>Total</b>	<b>243,684</b>	<b>243,684</b>	<b>86,341</b>	<b>86,061</b>

Other movements are Notional funding received for the

- LHB notional 9.4% Staff Employer Pension Contributions and
- 2019/20 Pensions Annual Allowance Charge Compensation Scheme

funded directly to the NHSBA Pensions Division by Welsh Government.

## 29. Events after the Reporting Period

At date of authorising the financial statements, the LHB are unaware of any significant events after the reporting period.

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 26th June 2025; post the date the financial statements were certified by the Auditor General for Wales.

### 30. Related Party Transactions

During the year none of the Board members or members of the key management staff or parties related to them has undertaken any material transactions with the Local Health Board.

The Welsh Government is regarded as a related party. During the year Cwm Taf Morgannwg University Local Health Board has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body namely:

	2024-25	2024-25	2024-25	2024-25
	Expenditure	Income	Creditors	Debtors
	Including Capital	Including Capital	Including Capital	Including Capital
	£000	£000	£000	£000
Welsh Assembly Government	160	1,540,028	128	2,237
JCC	167,081	13,192	2,947	183
<b>NHS Trusts</b>				
Public Health Wales	2,386	4,897	494	742
Velindre	90,299	9,314	4,607	3,261
Welsh Ambulance Services	815	82	744	19
<b>Local Health Boards</b>				
Aneurin Bevan	3,653	19,263	943	1,572
Betsi Cadwaladr	118	364	12	91
Cardiff & Vale	42,915	17,234	2,409	323
Hywel Dda	632	868	70	74
Powys	12	8,059	8	1,953
Swansea Bay	37,834	22,402	4,324	1,251
<b>Special Health Authority</b>				
HEIW	97	17,535	71	803
DHCW	6,362	1,515	1,313	11
<b>TOTAL</b>	<b>352,364</b>	<b>1,654,753</b>	<b>18,070</b>	<b>12,520</b>

In addition, the Local Health Board has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with:

	Expenditure	Income	Creditors	Debtors
Bridgend County Borough Council	6,810	3,086	358	1,666
Rhondda Cynon Taf County Borough Council	33,313	11,167	4,355	11,522
Merthyr Tydfil County Borough Council	2,336	1,881	113	327

The LHB has also received revenue payments from Cwm Taf Morgannwg NHS Charitable Funds totalling £0.579m (£0.485m in 2023-24) and capital contributions totalling £0.030m (£0.034m in 2023-24). The Trustees for which are also members of the Board.

A number of the LHB's Board members have interests in related parties as follows:

Name	Details	Interests
Rachel Rowlands	Independent Member	Chief Executive/Company Secretary, Age Connects Morgannwg Trustee/Director, Age Connects Wales
Carolyn Donoghue	Independent Member	Welsh Wound Innovation Centre - Chair (ceased 31.05.24) Independent Governor University West of England Member of Advisory Board, Awen Cultural Trust
Paul Mears	Chief Executive	Board Member Royal College of Nursing in Wales (ceased December 2024)
Nicola Milligan	Independent Member Executive Director of Strategy & Transformation	Member of Advisory Board, Awen Cultural Trust Board Member Royal College of Nursing in Wales (ceased December 2024)
Linda Prosser	Transformation	Son is Chief Operating Officer Salisbury NHS Foundation Trust
Anne Morris	Associate Member (SRG) Executive Director of Nursing/Deputy Chief Executive	Deputy Chief Executive of Interlink
Greg Dix	Executive	Trustee - Royal College of Nursing Foundation Board Director - Welsh Wound Innovation Centre (ceased 31.05.24)
Dilys Jouvenat	Independent Member Third Sector	Trustee and Chair of the Rhondda Cynon Taff Citizens Advice Trustee Interlink
Kath Palmer	Vice chair	Natural Resources Wales – Board member and Chair of Audit, Risk and Assurance committee. Member of the Residential Decarbonisation Implementation Group for Welsh Government. (ceased 30.04.24)
Lisa Curtis Jones	Associate Member Third Sector Director of Corporate Governance / Board Secretary	Statutory Director of Social Services in Merthyr Tydfil County Borough Council
Gareth Watts	Secretary	Member of the Joint Audit Committee of Gwent Police and the Police and Crime Commissioner for Gwent Chair of the Joint Audit Committee of the Office of the Police and Crime Commissioner for Gwent and Gwent Police (commenced 13.03.25)
Geraint Hopkins	Independent Member Local Authority	Elected Member, Rhondda Cynon Taf County Borough Council

Total value of transactions with these related parties:

	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Age Connects Morgannwg	688	0	20	0
Age Connects Wales	-5	0	-5	0
Awen Cultural Trust	19	0	9	0
Gwent Police and the Police and Crime Commissioner	1	0	1	0
Interlink RCT	559	0	37	0
Natural Resources Wales	1	0	0	0
Rhondda Cynon Taf Citizens Advice	32	0	9	0
Royal College of Nursing	8	0	0	0
Salisbury NHS Foundation Trust	4	0	0	0
University West of England	4	0	0	0
Welsh Wound Innovation Centre	0	4	0	3
	<b>1,311</b>	<b>4</b>	<b>71</b>	<b>3</b>

### 30. Related Party Transactions (continued)

#### NHS Wales Joint Commissioning Committee

The NHS Wales Joint Commissioning Committee operates as a formal sub-committee of each of the seven Local Health Boards in Wales. Consequently, any related party transactions with the Joint Committee are reported within the statutory accounts of the respective LHBs. Although the NWJCC has a dedicated executive team, its members are not executive directors.

All executive staff are employed by Cwm Taf Morgannwg University Health Board, the designated host organisation.

During 2024/2025, the NWJCC adopted a risk-sharing financial model. This model governs all financial transactions and is supported by the Committee's Standing Orders, which require:

- Agreement on the total budget necessary to plan and secure the delegated services.
- Agreement on the financial contributions from each LHB to fund those services.

Each Local Health Board is required to provide the level of funding set out in the NWJCC's approved annual plan.

Contributions from the LHBs for 2024/2025 are disclosed in Note 4 of the financial statements.

Expenditure incurred by the NWJCC in securing tertiary and specialist services is set out in Note 3.1.

Administrative, staffing, and other operational expenditure incurred with NHS Wales organisations is included in Note 3.2. However, this does not represent the full extent of running costs, which also include transactions with non-NHS bodies and staffing costs not attributed to NHS Wales.

The Welsh Ambulance Services NHS Trust is included in the reporting as an observer only and does not hold voting rights.

	Income £000's	Expenditure £000's	Running costs £000's	Debtor £000's	Creditor £000's
Cardiff and Vale UHB	187,238	383,130	216	2,538	11,391
Aneurin Bevan UHB	218,364	14,685	88	3,785	478
Betsi Cadwalladr UHB	273,120	54,340	3	6,384	1,891
Swansea Bay UHB	147,060	151,138	31	1,593	796
Cwm Taf Morgannwg UHB	167,081	12,563	631	2,947	183
Hywel Dda UHB	142,225	3,372	99	2,505	108
Powys Teaching HB	59,168	80	0	781	132
Public Health Wales NHS Trust	678	46	122	95	56
Velindre NHS Trust	0	38,217	31	139	265
Welsh Ambulance Services NHS Trust	0	275,441	0	319	48
	<b>1,194,934</b>	<b>933,012</b>	<b>1,221</b>	<b>21,086</b>	<b>15,348</b>

In addition to the 7 LHB Chief Executives being appointed members of the Committee, two other interests in related parties have been declared as follows:

Name	Details	Interests
Suzanne Rankin	Committee Member - Chief Executive Cardiff and Vale UHB	Cardiff University, Lay Member of University Council
Ian Green	Chair JCC	Chair, Salisbury NHS Foundation Trust

All other declarations made by Committee members and the Committee's Senior Leadership Team did not constitute Related Parties

Total value of transactions with these two related parties:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Cardiff University	3,977	0	649	0
Salisbury NHS Foundation Trust	27	0	15	0
	<b>4,004</b>	<b>0</b>	<b>664</b>	<b>0</b>

### 31. Third Party assets

The LHB held £11,260 cash at bank and in hand at 31 March 2025 (31st March 2024, £19,002) which relates to monies held by the LHB on behalf of patients. Cash held in patient Investment Accounts amounted to £nil at 31st March 2025 (31st March 2024, £nil). This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

## 32. Pooled budgets

### Rhondda Cynon Taf, Bridgend and Merthyr Tydfil Integrated Community Equipment Service

The Health Board has entered into a pooled budget with

Rhondda Cynon Taf County Borough Council  
Merthyr Tydfil County Borough Council  
Bridgend County Borough Council

The partnership arrangement with Abertawe Bro Morgannwg University Local Health Board ended on 31st March 2019 due to the transfer of the responsibility for providing healthcare services for the people in the Bridgend County Borough Council (BCBC) area from Abertawe Bro Morgannwg UHB to Cwm Taf Morgannwg UHB from 1st April 2019.

Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an Integrated Community Equipment Service. The service is to enable children and adults who require assistance to perform essential activities of daily living to maintain their health and autonomy and to live life as fully as possible. The equipment provided can include, but is not limited to

- Community home nursing equipment
- Equipment for daily living
- Physiotherapy living
- Static Seating

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Rhondda Cynon Taf County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Contributions are based on each individual organisations forecast activities. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

	2024-25		2023-24	
	£000		£000	
<b>Overall Funding/Contributions</b>	<b>3,509</b>		<b>3,445</b>	
<b>Source of overall funding/contributions:</b>				
Rhondda Cynon Taf County Borough Council	1,101		1,210	
Merthyr Tydfil County Borough Council	230		188	
Bridgend County Borough Council	890		815	
Cwm Taf Morgannwg University Local Health Board	1,118		1,018	
I.C.F funding	54		37	
Other income	116		177	
<b>Pooled partnership expenditure</b>				
	2024-25		2023-24	
	£000	%	£000	%
Provision of community equipment services within Rhondda Cynon Taf, Bridgend and Merthyr Tydfil County Boroughs	3,644	100%	3,433	100%
<b>Total</b>	<b>3,644</b>		<b>3,433</b>	
<b>Net surplus/deficit</b>	<b>135</b>		<b>-12</b>	
<b>Cumulative surplus/deficit</b>	<b>135</b>		<b>-12</b>	
<b>Pooled Partnership Income</b>				
	2024-25		2023-24	
	£000		£000	
Rhondda Cynon Taf County Borough Council	1,101		1,210	
Merthyr Tydfil County Borough Council	230		188	
Bridgend County Borough Council	890		815	
Cwm Taf Morgannwg University Local Health Board	1,118		1,018	
I.C.F funding	54		37	
Other income	116		177	
<b>Total</b>	<b>3,509</b>		<b>3,445</b>	

## 32. Pooled budgets (Cont)

### Cwm Taf Morgannwg Care Home Accommodation

The Health Board has entered into a pool fund arrangement with Rhondda Cynon Taf County Borough Council and Merthyr Tydfil County Borough Council.

The Agreement for the CWM TAF MORGANNWG CARE HOME ACCOMMODATION POOLED FUND is made under The Social Services and Well-being (Wales) Act 2014 (the 'Act') and the Partnership Arrangements (Wales) Regulations 2015 (the 'Regulations').

The Agreement provides for the establishment of the CWM TAF MORGANNWG CARE HOME ACCOMMODATION POOLED FUND which will undertake the following functions on behalf of the Parties.

The functions of a local authority under sections 35 and 36 of the Act, where it has been decided to meet the adult's needs by providing or arranging to provide accommodation in a care home;

The functions of a Local Health Board under section 3 of the National Health Service (Wales) Act 2006 in relation to an adult, in cases where:

The adult has a primary need for health care and it has been decided to meet the needs of the adult by arranging the provision of accommodation in a care home, or  
The adult does not have a primary need for health care but the adult's needs can only be met by the local authority arranging for the provision of accommodation together with nursing care

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Rhondda Cynon Taf County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Contributions are based on each individual organisations forecast activities. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

	2024-25		2023-24	
	£000		£000	
<b>Overall Funding/Contributions</b>	<b>76,439</b>		<b>70,182</b>	
<b>Source of overall funding/contributions:</b>				
Rhondda Cynon Taf County Borough Council	33,414		30,825	
Merthyr Tydfil County Borough Council	7,435		6,398	
Bridgend County Borough Council	17,107		16,381	
Cwm Taf Morgannwg University Local Health Board	18,297		16,381	
Other income	186		197	
<b>Pooled partnership expenditure</b>				
	2024-25		2023-24	
	£000	%	£000	%
Paying care fees to homes for the provision of residential & nursing care within the Rhondda Cynon Taf, Merthyr Tydfil and Bridgend County Boroughs	76,258	100%	69,991	100%
<b>Total</b>	<b>76,258</b>		<b>69,991</b>	
<b>Net surplus/deficit</b>	<b>-181</b>		<b>-191</b>	
<b>Cumulative surplus/deficit</b>	<b>-432</b>		<b>-251</b>	
<b>Pooled Partnership Income</b>				
	2024-25		2023-24	
	£000		£000	
Rhondda Cynon Taf County Borough Council	33,414		30,825	
Merthyr Tydfil County Borough Council	7,435		6,398	
Bridgend County Borough Council	17,107		16,381	
Cwm Taf Morgannwg University Local Health Board	18,297		16,381	
Other income	186		197	
<b>Total</b>	<b>76,439</b>		<b>70,182</b>	

## 32. Pooled budgets (Cont)

### Bridgend Integrated Community Services

The Health Board has entered into a pooled budget with:

Bridgend County Borough Council

Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an Integrated Community Service. The approach of the Partners will be consistent with the principles in "Sustainable Social Services: A Framework for Action" which sets out the action needed to ensure care and support services respond to rising levels of demand and changing expectations, particularly for frail older people.

Partners deliver their stated commitment to benefit adults in the region:

Support for people to remain independent and keep well

More people cared for at home to maximise their recovery, with shorter stays in hospital if they are unwell

A change in the pathway away from institutional care to community care, available on a 7-day basis

Fewer people being asked to consider long term residential or nursing home care, particularly in a crisis

Earlier diagnosis of dementia and quicker access to specialist support for those who need it

More people living with the support of technology and appropriate support services

Provision of services that are more joined up around the needs of the individual with less duplication or hand-offs between health and social care agencies

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Bridgend County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

	2024-25		2023-24	
	£000		£000	
<b>Overall Funding/Contributions</b>	<b>5,124</b>		<b>5,528</b>	
<b>Source of overall funding/contributions:</b>				
Bridgend County Borough Council	2,212		2,611	
Cwm Taf Morgannwg University Local Health Board	2,912		2,917	
<b>Pooled partnership expenditure</b>				
	2024-25		2023-24	
	£000	%	£000	%
Provision of Community Support Service & Reablement	5,124	100%	5,528	100%
<b>Total</b>	<b>5,124</b>		<b>5,528</b>	
<b>Net surplus/deficit</b>	<b>0</b>		<b>0</b>	
<b>Cumulative surplus/deficit</b>	<b>0</b>		<b>0</b>	
<b>Pooled Partnership Income</b>				
	2024-25		2023-24	
	£000		£000	
Bridgend County Borough Council	2,212		2,611	
Cwm Taf Morgannwg University Local Health Board	2,912		2,917	
<b>Total</b>	<b>5,124</b>		<b>5,528</b>	

\* RIF Funding of £707,000 has been received in respect of the pooled budget, this has been excluded from the figures above.

33. Operating segments

IFRS 8 requires bodies to report information about each of its operating segments.

The following information segments the results of Cwm Taf Morgannwg Local Health Board by:

- Healthcare activities
- NHS Wales Joint Commissioning Committee (NWJCC)

As Accountable Officer I confirm that the NHSWJCC figures in the Segmental Reporting Note within the Cwm Taf Morgannwg ULHB financial statements are a true representation of the NHSWJCC position as reported in the supporting NHSWJCC memorandum account.

Date: 26th June 2025 ..... Chief Executive & Accountable Officer

Operating Costs 2024-25

	Healthcare activities £000	NWJCC £000	Inter-segment transactions £000	Cwm Taf Morgannwg LHB Total £000
Expenditure on primary healthcare services	296,688	0	0	296,688
Expenditure on healthcare from other providers	408,405	1,186,092	(179,643)	1,414,854
Expenditure on hospital and community health services	1,100,001	10,061	(571)	1,109,491
	1,805,094	1,196,153	(180,214)	2,821,033
Less: Miscellaneous Income	(162,790)	(1,196,153)	180,214	(1,178,729)
LHB net operating costs before interest and other gains and losses	1,642,304	0	0	1,642,304
Investment Income	(5)	0	0	(5)
Other (Gains) / Losses	(188)	0	0	(188)
Finance costs	442	0	0	442
Net operating costs for the financial year	1,642,553	0	0	1,642,553

Net Assets 2024-25

	£000	£000	£000	£000
Total non-current assets	783,050	0	0	783,050
Total current assets	116,082	51,151	(3,130)	164,103
Total current liabilities	(235,134)	(62,993)	3,130	(294,997)
Total non-current liabilities	(118,135)	0	0	(118,135)
Total assets employed	545,863	(11,842)	0	534,021
Total taxpayers' equity	545,863	(11,842)	0	534,021

Operating Costs 2023-24

	Healthcare activities £'000	WHSSC £'000	EASC £'000	Inter-segment transactions £'000	Cwm Taf LHB Total £'000
Expenditure on primary healthcare services	268,077	0	0	0	268,077
Expenditure on healthcare from other providers	380,837	844,726	252,916	(170,470)	1,308,009
Expenditure on hospital and community health services	907,395	6,041	3,233	(546)	916,123
	1,556,309	850,767	256,149	(171,016)	2,492,209
Less: Miscellaneous Income	(163,360)	(850,767)	(256,149)	171,016	(1,099,260)
LHB net operating costs before interest and other gains and losses	1,392,949	0	0	0	1,392,949
Investment Income	(2)	0	0	0	(2)
Other (Gains) / Losses	(44)	0	0	0	(44)
Finance costs	353	0	0	0	353
Net operating costs for the financial year	1,393,256	0	0	0	1,393,256

Net Assets 2023-24

	£'000	£'000	£'000	£'000	£'000
Total non-current assets	796,522	0	0	0	796,522
Total current assets	89,801	40,461	1,907	(4,590)	127,579
Total current liabilities	(196,885)	(52,303)	(1,907)	4,590	(246,505)
Total non-current liabilities	(85,993)	0	0	0	(85,993)
Total assets employed	603,445	(11,842)	0	0	591,603
Total taxpayers' equity	603,445	(11,842)	0	0	591,603

## 33. Operating segments - Continued

2024-25

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

General Fund & Revaluation Reserve Changes in taxpayers' equity for 2024-25	Healthcare activities £000	NWJCC £000	Inter-segment transactions £000	Cwm Taf LHB Total £000
Balance at 1 April 2024	603,445	(11,842)	0	591,603
Balance at 31 March 2025	545,863	(11,842)	0	534,021

2024-25

## Statement of Cash Flows for year ended 31 March 2025

Cash Flows from operating activities	Healthcare activities £000	NWJCC £000	Inter-segment transactions £000	Cwm Taf LHB Total £000
Net operating cost for the financial year	(1,642,553)	0	0	(1,642,553)
Movements in Working Capital	(29,454)	12,851	0	(16,603)
Other cash flow adjustments	243,684	0	0	243,684
Provisions utilised	(12,598)	0	0	(12,598)
<b>Net cashflow from operating activities</b>	<b>(1,440,921)</b>	<b>12,851</b>	<b>0</b>	<b>(1,428,070)</b>
<b>Net cashflow from investing activities</b>	<b>(85,127)</b>	<b>0</b>	<b>0</b>	<b>(85,127)</b>
<b>Net cashflow from Financing</b>	<b>1,529,788</b>	<b>0</b>	<b>0</b>	<b>1,529,788</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,740</b>	<b>12,851</b>	<b>0</b>	<b>16,591</b>
<b>Cash and cash equivalents (and bank overdrafts) at 1 April 2024</b>	<b>1,485</b>	<b>15,020</b>	<b>0</b>	<b>16,505</b>
<b>Cash and cash equivalents (and bank overdrafts) at 31 March 2025</b>	<b>5,225</b>	<b>27,871</b>	<b>0</b>	<b>33,096</b>

2023-24

Statement of Changes in Taxpayers' Equity  
For the year ended 31 March 2024

General Fund & Revaluation Reserve Changes in taxpayers' equity for 2023-24	Healthcare activities £000	WHSSC £000	EASC £000	Inter-segment transactions £000	Cwm Taf LHB Total £000
Balance at 1 April 2023	523,534	(11,842)	0	0	511,692
Balance at 31 March 2024	603,445	(11,842)	0	0	591,603

£-11,842 has been carried forward since 2010 when WHSSC was created/formed.

2023-24

## Statement of Cash Flows for year ended 31 March 2024

Cash Flows from operating activities	Healthcare activities £000	WHSSC £000	EASC £000	Inter-segment transactions £000	Cwm Taf LHB Total £000
Net operating cost for the financial year	(1,393,256)	0	0	0	(1,393,256)
Movements in Working Capital	(32,566)	(2,573)	0	0	(35,139)
Other cash flow adjustments	86,341	(280)	0	0	86,061
Provisions utilised	(7,653)	(35)	0	0	(7,688)
<b>Net cashflow from operating activities</b>	<b>(1,347,134)</b>	<b>(2,888)</b>	<b>0</b>	<b>0</b>	<b>(1,350,022)</b>
<b>Net cashflow from investing activities</b>	<b>(76,154)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(76,154)</b>
<b>Net cashflow from Financing</b>	<b>1,423,425</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,423,425</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>137</b>	<b>(2,888)</b>	<b>0</b>	<b>0</b>	<b>(2,751)</b>
<b>Cash and cash equivalents (and bank overdrafts) at 1 April 2023</b>	<b>1,348</b>	<b>17,908</b>	<b>0</b>	<b>0</b>	<b>19,256</b>
<b>Cash and cash equivalents (and bank overdrafts) at 31 March 2024</b>	<b>1,485</b>	<b>15,020</b>	<b>0</b>	<b>0</b>	<b>16,505</b>

### 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 1 April 2023 to 31 March 2025. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2024 and February 2025 alongside Health Board/Trust/SHA data for March 2025.

Transactions include notional expenditure in relation to the 9.4% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows.

The figures below are consolidated.

	2024-25	2023-24
	£000	£000
<b>Statement of Comprehensive Net Expenditure for the year ended 31 March 2025</b>		
Expenditure on Primary Healthcare Services	1,222	802
Expenditure on healthcare from other providers	0	0
Expenditure on Hospital and Community Health Services	45,640	28,021
<b>Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025</b>		
Net operating cost for the year	46,862	28,823
Notional Welsh Government Funding	46,862	28,823
<b>Statement of Cash Flows for year ended 31 March 2025</b>		
Net operating cost for the financial year	46,862	28,823
Other cash flow adjustments	46,862	28,823
<b>2.1 Revenue Resource Performance</b>		
Revenue Resource Allocation	46,862	28,823
<b>3. Analysis of gross operating costs</b>		
<b>3.1 Expenditure on Primary Healthcare Services</b>		
General Medical Services	204	39
Pharmaceutical Services	0	0
General Dental Services	156	42
Other Primary Health Care expenditure	862	721
<b>3.2 Expenditure on healthcare from other providers</b>		
	0	0
	0	0
<b>3.3 Expenditure on Hospital and Community Health Services</b>		
Directors' costs	166	117
Staff costs	45,474	27,904
<b>9.1 Employee costs</b>		
<b>Permanent Staff</b>		
Employer contributions to NHS Pension Scheme	46,862	28,823
Charged to capital	0	0
Charged to revenue	0	0
<b>18. Trade and other payables</b>		
<b>Current</b>		
Pensions: staff	0	0
<b>28. Other cash flow adjustments</b>		
Other movements	46,862	28,823

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

**Other****34.2 IFRS 17 - Insurance Contract Disclosures**

The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

**STATEMENT OF FINANCIAL POSITION**

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	0
	<hr/> 0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	0
	<hr/> 0

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE**  
**/ STATEMENT OF COMPREHENSIVE INCOME \*Delete as appropriate**

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

**THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY**

**LOCAL HEALTH BOARDS**

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)<sup>1</sup>, 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

## Thank you for reading CTMUBH's Annual Report 2024-2025

If you require a printed version of the Annual Report or in alternative formats/languages please contact us using the details below:



Cwm Taf Morgannwg University Health Board Headquarters,  
Ynysmeurig House, Unit 3, Navigation Park, Abercynon,  
Rhondda Cynon Taf. CF45 4SB



01443 744800



[CTM\\_Corporate\\_Governance@wales.nhs.uk](mailto:CTM_Corporate_Governance@wales.nhs.uk)



<https://ctmuhb.nhs.wales>



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# **Accountability Report**

## **NHS Wales Joint Commissioning Committee (NWJCC)**

### **2024-2025**

## Chapter 2 – Accountability Report – NHS Wales Joint Commissioning Committee (NWJCC)

### 1. Corporate Governance Report

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across the NHS Wales Joint Commissioning Committee (NWJCC) during 2024-2025, it includes:

- **The Directors’ Report:** This provides details of the Joint Committee who have authority or responsibility for directing and controlling the major activities of CTMUHB during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.
- **The Statement of Accounting Officer’s Responsibilities and Statement of Directors’ Responsibilities:** This requires the Accountable Officer, Chair and Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts is fair, balanced, and understandable.
- **The Governance Statement:** This is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within the NWJCC and brings together how the organisation manages governance, risk, and control.

The NWJCC is hosted by Cwm Taf Morgannwg University Health Board (CTMUHB) and there are two different sets of Accountable Officer (AO) responsibilities governing CTMUHB and the NWJCC. This part 2 Accountability report provides assurance on the work of the NWJCC during 2024-2025

### 2. Directors’ Report

#### *The Composition of the Joint Committee and Membership*

The NWJCC is made up of 6 Lay Members (including the Chair) who are appointed by the Cabinet Secretary for Health and Social Care, and 7 Health Board Chief Executive Officer (CEO) Members.

All Lay Members and CEO Members have full voting rights.

In addition, there is one Associate Member, the NWJCC Chief Commissioner. In accordance with Standing Orders the Associate Member has no voting rights.

Further details in relation to the composition of the NWJCC can be found at page 12 of the Governance Statement. This will include NWJCC and its Sub-

Committee membership, and also includes the CTMUHB Audit and Risk Assurance Committee (ARAC) , for 2024-2025 covering meetings attended during the year.

### 3. Statement of the Chief Commissioner’s responsibilities as Accountable Officer of the Joint Commissioning Committee

Welsh Government have directed that the Chief Commissioner is appointed as the Accountable Officer for the NWJCC.

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. The Memorandum stipulates that the Chief Commissioner has accountability for certain elements of their role, namely the propriety and regularity for public finances as delegated to them through the NWJCC from Local Health Boards. In addition, a separate Interface Agreement sets out the relationship between the Chief Commissioner as Accountable Officer of the NWJCC and the Chief Executive and Accountable Officer of Cwm Taf Morgannwg University LHB.

As far as I am aware there is no relevant audit information of which the entity’s auditors are unaware, and I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that NWJCCs auditors are aware of that information.

I can confirm that the Accountability Report and Accounts is fair, balanced and understandable and I take personal responsibility for the Accountability Report and Accounts and the judgments required for determining that it is fair, balanced and understandable based on the information provided to me.

I am responsible for authorising the issue of the financial statements on the date that they were certified by the Auditor General for Wales.

To the best of my knowledge and belief, since my appointment as Accountable officer on 1 April 2025, based on the information provided to me, the AO responsibilities were properly discharged during the period covered in this report as set out in the letter of appointment for Accountable Officers.

#### **Signed:**

Huw George Interim Chief Commissioner		Date: 26 June 2025
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#### 4. 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 CTMUHB and of the income and expenditure of the NWJCC for that period.



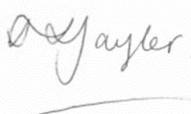
In preparing those accounts, the directors are required to:

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

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

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

#### **Signed:**

Ian Green Chair		Date: 26 June 2025
Huw George Interim Chief Commissioner		Date: 26 June 2025
Stacey Taylor Director of Finance		Date: 26 June 2025

## 5. Governance Statement

### 5.1 Scope of Responsibility

The Chief Commissioner is accountable for Governance, Risk Management and Internal Control.

On 1 April 2024 the new NHS Wales Joint Commissioning Committee (NWJCC) was established for the purpose of jointly exercising those functions set out within the Directions and superseded the Emergency Ambulance Services Committee (EASC) and the Welsh Health Specialised Services Committee (WHSSC) as Joint Committees of the seven Local Health Boards.

The [National Health Service Joint Commissioning Committee \(Wales\) Directions 2024](#) (the Directions) came into force on 7 February 2024 which provide that the Local Health Boards in Wales will work jointly to exercise functions relating to the planning and securing of services specified within the Directions or as identified by the Local Health Boards. Specifically, these are:

- a) specialised services for:
  - i. cancer and blood disorders,
  - ii. cardiac conditions,
  - iii. mental health and vulnerable groups,
  - iv. neurosciences, and
  - v. women and children;
- b) services where there is agreement between the Local Health Boards that they should be arranged on a regional and national basis;
- c) emergency medical services;
- d) non-emergency patient transport services;
- e) emergency medical retrieval and transfer services;
- f) NHS 111 services;
- g) sexual assault referral centres; and
- h) other services as directed by the Welsh Ministers.

The Directions determine that the host Local Health Board must provide administrative support for the operation of the joint committee and establish the NHS Wales Joint Commissioning Committee Team (NWJCCT); and that the Host Local Health Board will be Cwm Taf Morgannwg University Health Board (CTMUHB).

The [National Health Service Joint Commissioning Committee \(Wales\) Regulations 2024](#) (the Regulations) were laid before Senedd Cymru on 9th February 2024 and came into force on 1st April 2024. These Regulations make provision for the constitution and membership of the NHS Wales Joint Commissioning Committee (the Joint Commissioning Committee [NWJCC]),

including its procedures and administrative arrangements. An [Explanatory Memorandum](#) was also laid before Senedd Cymru.

As set out within Part 2 of the Regulations, membership of the NWJCC consists of the Chief Executive Officer of each Local Health Board; an Independent Chair (the Chair); and not more than five Non-Officer Members (NOMs). The Chair and NOMs (known as Lay Members) are appointed by the Welsh Ministers.

In addition, the NWJCC's membership includes an Associate Member, who has no voting rights, who is the Chief Commissioner of the Joint Commissioning Committee Team (NWJCCT). The Chief Commissioner is employed by CTMUHB as the Host Body. In addition, the Chief Commissioner holds Accountable Officer status, delegated by Welsh Government, for accountability for certain elements of their role, namely the propriety and regularity for public finances as delegated to them through the NWJCC from Local Health Boards.

On 2 April 2024 the Minister for Health & Social Services issued a written statement advising that following a public appointments recruitment process, Ian Green OBE was to be appointed as the Chair of the new NWJCC supported by Dr Paul Worthington, Nia Roberts and Susan Elsmore as independent Lay Members of the NWJCC. In addition, Abigail Harris was appointed as the Interim Chief Commissioner for the NWJCC from 1 April 2024 until 28 October 2024, and Stacey Taylor as the interim Chief Commissioner from 28 October 2024 to 31 March 2025. Huw George was appointed Interim Chief Commissioner from 1 April 2025.

Cwm Taf Morgannwg University Health Board is the Host Body under Ministerial Direction and is accountable for the delivery of the functions of host body, as required by the NHS Wales Joint Commissioning Committee (Wales) Directions 2024 (the NWJCC Directions) [The National Health Service Joint Commissioning Committee \(Wales\) Regulations 2024.pdf](#)

As the host body CTMUHB are required to provide administrative support for the operation of the NWJCC and establish the NWJCC Team.

As Chief Commissioner of the NWJCC, 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 CTMUHB corporate policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible and to report the adequacy of these arrangements to the Chief Executive of CTMUHB in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales. Under the terms of the establishment arrangements, CTMUHB is deemed to be held harmless and have no additional financial liabilities beyond its own population.

This Accountability 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, 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.

The NWJCC Senior Leadership Team (SLT) assist me as Chief Commissioner in discharging my accountabilities and the team meet weekly for formative discussion, support and decision-making. During 2024-2025, the NWJCC was established and we have introduced arrangements where the SLT and I meet monthly in the more formal guise of SLT Management Meetings. This format allows us to have a more focussed discussions and where we receive detailed updates on project progress quality and performance and consider future strategic plans.

Members of the SLT also meet with:

- Health Board Executive Teams
- Welsh Government
- Host Body CEO and Executive Directors
- the NHS Wales leadership peer groups.

NWJCC SLT has strong links to all relevant governance forums inside and outside of the NWJCC. The organisation's work is supported by the achievement of the CTMUHB corporate policies, aims and objectives. These are delivered in the knowledge that there is a need to safeguard public funds and the organisation's assets for which the NWJCC Chief Commissioner is personally responsible.

## 5.2 Escalation and Intervention Arrangements

As a Sub-Committee of the seven Health Boards, the NWJCC is not subject to the Welsh Government's escalation and intervention arrangements for NHS Wales.

However, arrangements for monitoring performance, quality and safety risks across our health system are discussed routinely at NWJCC meetings and at the Planning, Performance and Finance Sub-Committee meeting and the Quality, Safety and outcomes sub committee meetings.

In addition the NWJCC meets with the 7 Health Boards and other providers to discuss and monitor commissioning activity.

## 6. Our Governance Framework

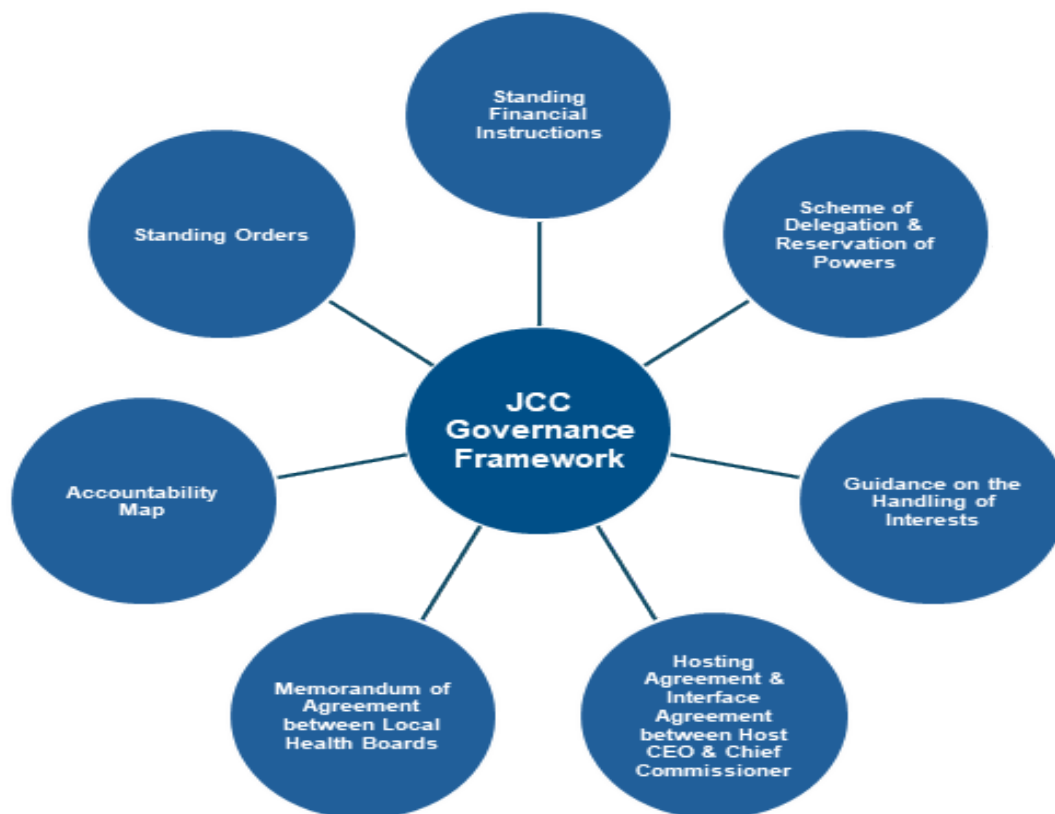
### *6.1 Model Standing Orders, Reservation and Delegation of Powers*

In accordance with the [National Health Service Joint Commissioning Committee \(Wales\) Directions 2024](#), each Local Health Board (LHB) in Wales must agree Standing Orders (SOs) for the regulation of the Joint Committee proceedings and business. These Joint Committee standing orders form a schedule to each LHB's own standing orders, and have effect as if incorporated within them. Together with the adoption of the Scheme of Decisions Reserved to the Joint Committee; the Scheme of Delegations to Officers and Others; and the Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the Joint Committee.

Whilst the Standing Orders and Standing Financial Instructions were approved by Health Boards in March 2024 and were adopted by the Joint Committee at its inaugural meeting on 8 April 2024, the Governance Framework for the NWJCC contains a number of key components which, combined, set out the legislative framework, constitution and ways of working for the NWJCC in its operations and handling of business. These documents form an integral part of the wider governance framework of Health Boards. These documents required further work and the Memorandum of Agreement (MoA), Hosting Agreement (HA) and Sub-Committee structure were all presented to the NWJCC meeting on 17 September 2024 and were approved by Health Boards at their September 2024 Board Meetings. The Sub-Committees Terms of Reference were also approved but a request was made to alter the designation of Health Board CEOs to be a member and not an attendee and this required the ToR to be re-presented to the January 2025 Joint Committee meeting and these were approved by Health Boards at their January 2025 Board meetings.

These documents, together with the Memorandum of Agreement setting out the governance arrangements for the seven LHBs and a Hosting Agreement between the Joint Commissioning Committee and Cwm Taf Morgannwg University Health Board (as the Host LHB), form the basis upon which the Joint Commissioning Committee's Governance and Accountability Framework is developed.

Figure 1 – NWJCC Governance Framework



## 6.2 Variation to standing Orders

The public are not currently invited to attend NWJCC meetings in person but are invited to attend via virtual form. This equates to a breach of NWJCC’s Standing Orders. This has been risk assessed, taking into account that all decisions are made by the NWJCC, and the NWJCC Joint committee and Sub-Committee papers and minutes are made available in advance of each meeting on the NWJCC website, available [here](#).

## 6.3 The Joint Commissioning Committee (CTMUHB Board equivalent section)

The Joint Commissioning Committee was established in accordance with Ministerial Directions and Regulations to enable the seven LHBs in NHS Wales to determine a long-term strategy for the commissioning of services delegated to the NWJCC.

Whilst the Joint Committee acts on behalf of the seven LHBs in undertaking its functions, the responsibility of individual LHBs for their resident population remains. They are therefore accountable to citizens and other stakeholders for the provision of specialised and tertiary services.

The Joint Committee functions as a decision-making body, all voting members being full and equal members and sharing responsibility for all the decisions of the Joint Committee. The NWJCC must discharge its collective duty for the population of Wales and any individual involved in making decisions that relate to NWJCC functions must be acting clearly in the interests of the NWJCC and of the population of Wales, rather than furthering direct or indirect financial, personal, professional or organisational interests.

The Joint Committee make decisions based on a majority view held by the voting Joint Committee members present. In the event of a split decision, i.e., no majority view being expressed, the Joint Committee Chair shall have a second and casting vote.

The Joint Commissioning Committee is supported by the Committee Secretary, who is independent of the Joint Committee, and acts as the guardian of good governance within the Joint Committee.

The Committee Secretary is accountable to the Joint Committee Chair for all matters in relation to the responsibilities delegated in respect of the NWJCC’s Governance Framework, within the context of the overarching Governance Framework of the 7 LHBs. The Committee Secretary is accountable to the Chief Commissioner for their performance as an employee of the Host Body and a member of the NWJCC Commissioning Team

The Joint Committee papers and confirmed minutes can be viewed on the link below:

[Committee Meeting Papers - NHS Wales Joint Commissioning Committee](#)

Items considered by the NWJCC during 2024-2025, included:

<b>Governance, Risk and Assurance</b>	<b>Strategic Development</b>	<b>Delivering the Plan</b>
<ul style="list-style-type: none"> <li>• Joint Commissioning Committee Standing Orders (inc. Scheme of Delegation) &amp; Standing Financial Instructions (SFI’s) (inc. financial authorisation matrix)</li> <li>• Interim Operating Model Framework</li> </ul>	<ul style="list-style-type: none"> <li>• The Joint Commissioning Committee Foundation Plan 2025-2026</li> <li>• Gender Identity Services for Children and Young People – Final Report of the Cass Review</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Performance Report</li> <li>• Recovery Plan</li> <li>• Performance Report</li> <li>• Plastic Surgery South Wales – Revised Ministerial Key Performance Indicators (KPIs)</li> </ul>

<ul style="list-style-type: none"> <li>• The Joint Commissioning Committee Governance Framework</li> <li>• Legacy Statements from Predecessor Organisations</li> <li>• Corporate Governance Report</li> <li>• Highlight Reports from the Joint Sub-Committees</li> <li>• The Joint Commissioning Committee Risk Register</li> <li>• Nursing and Midwifery Council (NMC) Independent Culture Review</li> </ul>	<ul style="list-style-type: none"> <li>• Neonatal Transformation Programme Phase 2</li> <li>• NHS 111 Wales Commissioning Arrangements</li> <li>• All Wales Molecular Radiotherapy (MRT) Programme</li> <li>• Vision, Mission, Values, Strategic Objectives and the Joint Commissioning Committee 2024/2025 Transition Plan</li> <li>• Commissioning of Highly Specialised Service for Very Rare Diseases</li> <li>• Continuing Healthcare (CHC) Programme Update</li> <li>• Non-Emergency Patient Transport Service (NEPTS) Future Vision</li> </ul>	<ul style="list-style-type: none"> <li>• Emergency Medical Retrieval and Transfer Service (EMRTS) Review Recommendation 4 Update</li> <li>• Emergency Medical Technician Re-Banding Case</li> <li>• Ambulance Services Developments</li> <li>• Implementation of Legacy Plans</li> </ul>
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In addition to the above, the Chair, Chief Commissioner and each of the Commissioning Directors provide updates in relation to their areas of responsibility.

#### 6.4 The NWJCC – Membership

The NWJCC consists of 13 voting members (6 Lay Members and 7 CEO Members). There is also one Associate Member that does not hold any voting rights. The NWJCC is supported by the Associate Director of Governance/Committee Secretary as well as all of the NWJCC SLT Teams, who attend its meetings but do not have voting rights.

Abigail Harris was appointed to the role of interim Chief Commissioner from 1 April 2024 for an initial 6 month period.

A Ministerial appointed Chair and 3 Lay Members were appointed to enable the NWJCC to function effectively. These appointments were confirmed on 2 April 2024. Ian Green was confirmed as the NWJCC Chair and Susan

Elsmore, Paul Worthington and Nia Roberts were warmly welcomed as Lay Members to the NWJCC.

Susan Elsmore was assigned the role of Chair of the Quality & Patient Safety Committee (QPSC) from 21 May 2024 and Susan continued as Chair of the newly established NWJCC Quality Safety and Outcomes Committee from 1 January 2025.

Paul Worthington was assigned as the interim Audit and Finance Lead for the CTMUHB Audit & Risk Committee until November 2024. Nia Roberts took over from Paul as Audit lead from November 2024 and she was also appointed as Vice Chair from 21 May 2024 until she stepped down as Vice Chair in January 2025.

Paul Worthington was appointed as Chair of the Planning, Performance and Finance Sub-Committee from 1 January 2025 and Susan Elsmore was appointed as Chair of the Quality, Safety and Outcomes Sub-Committee from January 2025.

Welsh Government (WG) confirmed the appointment of two additional Joint Committee lay members in November 2024 and, Mandy Rayani and Shameem Nawaz commenced on 1 November 2024. Mandy was appointed as Quality, Safety and Outcomes Vice Chair and Shameem was also assigned as a Quality, Safety and Outcomes Sub-Committee member.

At the same time, Abigail Harris accepted the post of CEO at Swansea Bay UHB and Stacey Taylor, Deputy Chief Commissioner & Director of Finance and Information took over the role of Interim Chief Commissioner from 28 October 2024. Stacey Taylor remained as the NWJCC Interim Chief Commissioner until 31 March 2025. On 1 April 2025, Huw George, Deputy CEO and Executive Director of Operations and Finance at Public Health Wales (PHW) took over the role of Interim Chief Commissioner and joined the NWJCC on a twelve-month secondment. On Huw's appointment, Stacey Taylor returned other role as Deputy Chief Commissioner/ Director of Finance and Value.

Biographies, providing further information on the NWJCC Members are published on the NWJCC website [Committee Members - NHS Wales Joint Commissioning Committee](#)

Hybrid meeting arrangements have been adopted to support the NWJCC during the transition and first year of operation. Members and attendees are able to attend the Willowford in Treforest Industrial Estate, or the Charnwood Court office, Nantgarw in person or they can join virtually via MS Teams.

As a pan Wales organisation a hybrid NWJCC meeting was held in Mold, North Wales on 12 November 2024. The CEO, BCUHB and Chair BCUHB attended this meeting in person, along with some Lay Members and members of the NWJCC Senior Leadership Team.

The NWJCC trialled live streaming some of its public meetings but due to IT difficulties, this was discontinued, and a video recording of the meeting is now uploaded to the NWJCC website after the meeting. The NWJCC are working with DHCW to trial a fully bilingual meeting and it is hoped that this can be achieved in 2025-2026.

To ensure business is conducted in as open and transparent a manner as possible, the following actions were taken:

- Joint Committee papers were routinely published and made available on the NWJCC website one week prior to meetings in accordance with the NWJCC Standing Orders,
- Written highlight briefings of the key components of meetings were published as soon as possible after meetings and shared with Health Boards for inclusion in their respective HB Board papers for assurance.
- In addition, recordings of the NWJCC public meetings were uploaded to the website for public access.

Arrangements were in place to ensure that the decision logs were maintained and reported to each meeting appropriately.

The website (which gives our official notice of Joint Committee meetings) includes a statement inviting anybody wishing to attend a Public meeting to contact the organisation in advance to determine suitable arrangements. During 2024-2025 the NWJCC received three requests to observe a Joint Committee meeting from members of the public. There were also other regular observers from Health Boards who request to attend and these are warmly welcomed.

## 6.5 NWJCC Sub-Committees

The NWJCC can and has delegated certain functions to Sub-Committees, whilst maintaining that the NWJCC is ultimately accountable and responsible for decision-making.

An effective Joint Committee and Sub-Committee structure provides the mechanism for NWJCC Members to be able to focus on "Oversight, Insight and Foresight".

From 1 April 2024, to ensure business continuity and to support the transition it was agreed to continue with the legacy predecessor Sub-Committees/Groups between Quarter 1 to 3, with variations to membership/remit as detailed below.

The legacy WHSSC **Quality & Patient Safety Committee (QPSC)** provides assurance to the Joint Committee in relation to the arrangements for safeguarding and improving the quality and safety of specialised services within the remit of the Joint Committee.

The quality of care and experience that patients and their families receive in commissioned services is no different and the role of the commissioner is to ensure that quality is central to the way that services are commissioned. Quality is everyone's business and the organisation strives to ensure that the quality and patient centred services are at the heart of commissioning.

WHSSC ceased to exist on 31 March, however as part of the interim operating arrangements, it was proposed that in Q1 -3 2024-2025 the WHSSC QPSC continue and the remit of the WHSSC QPSC was expanded to include mental health commissioning and Ambulance and 111. This interim arrangement operated until 31 December 2024 until the **Quality, Safety and Outcomes Committee** (QSO) was established on 1 January 2025 with the first meeting taking place on 3 February 2025.

One of the fundamental principles underpinning quality is to develop open and transparent relationships with providers, to engage and involve the clinical teams and work in partnership with stakeholders when planning and commissioning services. Where concerns regarding the quality of services are identified and remedial action is required escalation processes are initiated and acted upon in a timely manner.

The NWJCC attends the CTM (Host) Audit and Risk Committee where Part B business is dedicated to the JCC. There is also the requirement for very senior appointments (i.e. Chief Commissioner) to be approved at the CTMUHB Remuneration and Terms of Service Committee.

During the reporting period, the Joint Committee established two joint Sub-Committees in the discharge of its functions:

- Planning Performance and Finance (PPF); and
- Quality, Safety and Outcomes Committee (QSO).

From 1 January 2025, the NWJCC Sub-Committee structure was established – see **Appendix A**.

The **Quality, Safety and Outcomes Committee** (QSO) was established on 1 January 2025 with the first meeting taken place on 3 February 2025.

The **Planning, Performance and Finance Sub-Committee** provides assurance to the Joint Committee in relation to effective strategic planning, performance and financial duties relating to planning, securing and commissioning the services delegated to the NWJCC.

This new Sub-Committee had its first meeting on 11 February 2025.

Each NWJCC Sub-Committee is chaired by a Lay Member. The Sub-Committees have an important role in providing scrutiny and seeking assurance in relation to planning objectives, provision of safe and effective services, compliance with legislation and standards, learning from lessons, and oversight of performance and risk.

The Terms of Reference for all current Sub-Committees will be reviewed on at least an annual basis and can be found on the NWJCC website as follows.

[Quality Safety & Outcomes](#)

[Planning Performance and Finance](#)

The chair of each Sub-Committee provides a written Highlight Report to the Joint Committee following each meeting outlining key risks and highlighting areas, which need to be brought to the Joint Committee's attention to contribute to its assessment of assurance and provide scrutiny against the delivery of objectives or other matters.

The Sub-Committees, as well as reporting to the Joint Committee, also work together on behalf of the Joint Committee to ensure, where required, that cross reporting and consideration takes place, and assurance and advice, is provided to the NWJCC and the wider organisation.

As well as producing formal minutes, each Sub-Committee maintains a table of actions that is monitored at meetings, a Committee Cycle of Business and a Forward Work Programme. Each Sub-Committee chair will also be responsible for providing the board with an annual report, setting out a helpful summary of its work throughout the year. Each committee has an SLT Director lead(s) who works closely with the Lay Member Chair of each Sub-Committee in agenda setting, business cycle planning and to support good quality, timely information being

Agenda planning meetings are held with Sub-Committee Chairs, Vice Chairs, Director Leads and the Corporate Governance Team which provides an opportunity to reflect on the effectiveness of the previous meeting and consider the agenda for the next, whilst also referencing the Committee Cycle of Business, Forward Plan and high risks on the Corporate Risk Register.

**Appendix B** of the Governance Statement includes a table outlining Joint Committee and Sub-Committee Membership attendance for 2024-2025.

**Appendix C** of the Governance Statement includes a table outlining the NWJCC and Sub-Committee meetings held during 2024-2025, highlighting any meetings where there may have been an issue with quoracy.

## **Audit & Risk Committee**

The [Audit & Risk Committee of Cwm Taf Morgannwg University Health Board \(CTMUHB\)](#), as host organisation, advises and assures the Joint

Committee on whether effective arrangements are in place, through the design and operation of the NWJCC's assurance framework. This supports members in their decision taking and in discharging their accountabilities for securing the achievement of the Joint Committee's Delegated Functions.

Relevant officers from the NWJCC attend the CTMUHB Audit & Risk Committee meetings for agenda items concerned with NWJCC business. In addition, Paul Worthington was the NWJCC designated Lay Member Audit/Finance Lead from 1 April 2024 to 31 October 2024, and Nia Roberts was the Lay Member Audit/Finance lead 1 November 2024- 31 March 2025 and as such, each attended the respective CTMUHB Audit Committee meetings. An assurance report following each meeting is submitted to the Joint Committee outlining the business discussions for assurance.

Following the establishment on the new NWJCC, we have continued to utilise the CTMUHB Audit and Risk Assurance Hosted Bodies Committee with the remit of taking assurance that the NWJCC is discharging its accountabilities with regard to financial stewardship, risk etc.

Whilst the new Sub-Committee structure was approved and in place by early 2025, up until the end of Quarter 4 a number of the legacy predecessor organisation Sub- groups continued to operate as part of the transition arrangements and whilst internal governance reviews were being undertaken to advise on the future operating models of these legacy groups.

These legacy groups across both predecessor organisations included the following;

- All Wales Individual Patient Funding Request (IPFR) Panel (WHSSC),
- Welsh Kidney Network (WKN)
- Traumatic Stress Wales (TSW),
- Sexual Assault Referral Centres (SARC)
- 111 Board
- All Wales Positron Emission Tomography (PET) Capital Programme
- Molecular Radiotherapy (MRT) Strategy Development Programme.
- Emergency Medical Retrieval & Transfer Service (EMRTS Cymru) Delivery Assurance Group
- Non-Emergency Patient Transport Service (NEPTS) Delivery Assurance Group

## 6.6 NWJCC Development (Board Development)

The NWJCC holds bi-monthly Joint Committee Development/strategy sessions. Throughout 2024-2025 we held sessions on a variety of topics to support ongoing awareness, learning and development for NWJCC Members. A list of the topics covered is outlined at **Appendix D**.

The purpose of these sessions is to promote NWJCC engagement, relationships and collaboration and increase the opportunity for NWJCC members to gain a greater understanding of their core responsibilities, develop the skills of the collective Joint Committee, work together effectively in developing strategy, strengthening oversight and delivering the collective accountabilities of a Joint Committee. The continuing approach for NWJCC Development/Strategy Sessions will be a structured programme of development, facilitated where appropriate.

There will be at least four sessions per annum where NWJCC Members are asked to prioritise attendance in person, it is considered that meeting in person supports and builds positive relationships and engagement amongst NWJCC Members and to facilitate these meetings will take place at different venues across Wales.

Where possible the sessions will be limited to two topics per session to allow sufficient time for robust discussion and learning.

### 6.7 NWJCC Briefings (Board Briefings)

During 2024-2025, NWJCC Briefing sessions continued to be held to brief Lay Members prior to public meetings (including confidential issues) and to raise awareness and understanding to better inform decision-making and scrutiny. Items are suggested by Directors or requested by Lay members to build a programme of briefings relevant to topical and timely issues.

### 6.8 Committee Effectiveness (Board Effectiveness)

During 2024-2025, the NWJCC has undertaken and/or engaged in a number of assessments that would provide internal and external sources of assurances to support the NWJCC in undertaking its annual effectiveness self-assessment, these are:

#### Internal Sources of Assurance

- Reflective Practice following Committee meetings
- Committee Effectiveness Survey
- Lay Member Welsh Government Induction Programme
- NWJCC Development sessions/strategic workshops
- Risk Management Review

#### External Sources of Assurance:

- Internal Audit Review

As the NWJCC was only established on 1 April 2024 it is considered premature to provide an assessment of the overall level of maturity in respect of governance and Joint Committee effectiveness. Therefore, the

Joint Committee were asked to consider an overall level of maturity in respect of governance and Joint Committee effectiveness in 2025-2026, based on the same criteria used in by HBs in previous years. As the new Sub-Committees held their inaugural meetings in February 2025 it was felt premature to apply an assessment on their effectiveness, therefore this will be undertaken in 2025-2026 after a full year of operation.

## 6.9 The Purpose of the System of Internal Control

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

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. A highlight report from each Joint Committee meeting was circulated to all Health Boards for inclusion on their own HB Board agendas following the meeting. The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts.

The NWJCC is accountable for maintaining a sound system of internal control which aids achievement of the organisation's objectives. It has been supported in this role by the work of the two main Sub-Committees, each of which provides regular reports to the NWJCC, underpinned by a Joint Committee structure, as outlined in **Appendix A** of the Governance Statement. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability.

The NWJCC recognises that scrutiny has a pivotal role in promoting improvement, efficiency and collaboration across the whole range of its activities and in holding those responsible for delivering services to account.

## 7. Capacity to Handle Risk

The NWJCC is committed to supporting the creation of an NHS system fit for the future, with transformed services that join up around the people who use them. Its strategic objectives drive work plans and decisions to enable the NWJCC to provide all stakeholders with assurance about the internal system of controls.

The NWJCC has adopted the risk assessing mechanisms of CTMUHB. Any adaptation to the agreed risk processes of the Host Body, which may be required owing the specific functions of the NWJCC, will only be made

after consulting with the Host Body Executive Director of Finance and the Director of Corporate Governance/Board Secretary and in partnership with the risk management arrangements of the seven Health Boards.

### *7.1 Risk Management Strategy*

Risk management plays a critical role in helping the NWJCC understand the impacts and manage the risks associated with its priorities and is fundamental to its success. Key principles guide how risk management is embedded at all levels and how the NWJCC will ensure that risk is managed effectively and efficiently.

Risk management arrangements for the NWJCC are in place which aim to:

- Ensure that risks to the achievement of the NWJCC's strategic values and objectives are understood and effectively managed;
- Ensure that the risks to the quality of services that the organisation commission from healthcare providers are understood and effectively managed;
- Assure the public, patients, staff and other partner organisations, that the NWJCC is committed to managing risk appropriately; and
- Protect the services, staff, reputation and finances of the NWJCC through the process of early identification of risk, risk assessment, risk control and elimination.

The planning and commissioning of health care services involves risk. The aim of our activities in respect of this is not to seek to create a risk-free environment, but rather to create an environment in which risks are considered as a matter of course and appropriately identified and controlled or managed. The NWJCC systems of control are designed to manage risk to a reasonable level rather than to eliminate all risks; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The NWJCC has established a clear process governing the identification and description of risk and for clearly recording how these risks are to be effectively mitigated to ensure that:

- The NWJCC's activities are aligned to its risk;
- All risks relating to NWJCC business are identified and managed through a robust NWJCC Risk Assurance Framework (JAF) and risk management plan. These include corporate, strategic, operational, clinical, financial, information, workforce and reputational risks;
- Each strategic risk has a Lead Director as the Strategic Risk Owner;
- The Senior Leadership Team (SLT), Planning, Performance & Finance Sub-Committee, Quality, Safety & Outcomes Sub-Committee, Cwm Taf Morgannwg Audit & Risk committee (ARC) and NWJCC are kept suitably informed of significant risks facing the NWJCC and their

associated mitigation plans where these risks relate to the scope of their responsibilities;

- The NWJCC has arrangements in place to ensure a consistent approach to the identification and management of risks across the organisation;
- NWJCC staff are risk aware and have the skills in risk management; and
- Risks are managed in line with the delegation agreements as set by the NWJCC, with risks effectively escalated so that action is taken at the appropriate level and the impact is monitored in the right part of the organisation.

## *7.2 Risk Appetite Statement*

Following on from the approval of the NWJCC risk register on 16 July 2024 it was agreed to consider the NWJCC's risk appetite at a NWJCC development session on 15 October 2024.

During the development session members:

- Acknowledged that the risk team at CTMUHB had provided risk management training to all NWJCC Directors, Assistant Directors and risk authors
- Discussed risk appetite and tolerance
- Considered the CTMUHB risk management approach and what may be required additionally for the NWJCC as a commissioning organisation
- Considered the definition of risk for the NWJCC through a commissioning lens and considered example risk appetite statements from NHS England Integrated Commissioning Boards (ICBs), recognising that the narrative may be closer aligned to the NWJCC as a commissioning organisation
- Explored what approach the NWJCC members needed and wanted for assurance
- acknowledged the risk-led approach for the Integrated Medium Term Plan (IMTP)
- To develop the specific risk appetite and tolerance for the NWJCC

The NWJCC acknowledged that an alignment in approach to the approach adopted by Integrated Care Boards (ICBs) in NHS England might be helpful, however this should not be considered in isolation from the risk appetite of Health Boards. It was agreed that a benchmarking exercise of the seven Health Boards risk appetite statements would be undertaken to identify any synergies.

The benchmarking exercise was an opportunity to compare and contrast the risk appetite statements of the seven Health Boards to identify any synergies, and to support the development of the NWJCC risk appetite

statement. Work has also been undertaken to identify good practice, for example the Good Governance Institute (GGI) (May 2020) Risk Appetite Matrix. The findings will be discussed with the NHS Wales Directors of Corporate Governance (DoCG) peer group and the DoCG at CTMUHB as our host, and a draft risk appetite statement will be brought back to the NWJCC in Summer 2025 for approval. Once approved this will enable the NWJCC to develop a new risk register for 2025-2026

In December 2024 the Joint Committee members discussed the NWJCC's Risk Appetite at a Joint Committee Strategy session which included consideration of organisational risks, provider risks commissioning risks and the associated issues and consequences. It was recognised that the findings of the benchmark exercise had identified that appetite levels varied across NHS Wales, in some areas and it is recognised that some of the Health Board's risk tolerance is assessed as cautious, whereas in others it is categorised as eager for risk and willing to carry risk in the pursuit of important strategic objectives. Further work to develop and agree a risk appetite statement will be undertaken in 2025-2026 to align with the new NWJCC Strategy.

### *7.3 Joint Assurance Framework (Board Assurance Framework)*

The NWJCC is committed to developing and implementing a NWJCC Assurance Framework (JAF) that identifies, analyses, evaluates and controls the risks that threaten the delivery of its strategic objectives. It will include the risks that fall outside of the NWJCC risk appetite levels for the different categories of risk which have been escalated from the NWJCC transitional risk register and will provide a structure for documenting evidence to support signing of the NWJCC's Annual Governance statement and will form part of the annual audit reviews. The threshold or tolerance for the different types of risks will be determined by the NWJCC risk appetite and will vary depending on the risk category.

Work on the JAF was paused during 2024/25 whilst the NWJCC continues to mature and will be finalised and presented to the NWJCC in 2025-2026.

The aim of the JAF will:

- Be designed specifically for Joint Committee-level oversight;
- Provide a structured and evidence-based assessment of the key risks facing the NWJCC;
- Be used to shape cycles of business and the work of the NWJCC and its Sub-Committees;
- Enable Independent Lay Members to focus their scrutiny and constructive challenge;
- Support strategic decision-making.

## 7.4 Strategic / Principal Risks

During the SLT leadership away day on 25 September 2024, SLT members participated in a risk management session to consider:

- Horizon scanning for new emerging risks
- Aligning risks to the new strategic objectives
- Aligning risks to the new Quality, Safety & Outcomes Sub-Committee and the Planning, Performance and Finance Sub-Committee
- The need for Directors to provide assurance to the lay members on the Sub-Committees
- Plan for NWJCC development day 15 October 2024 – risk appetite and tolerance
- How the NWJCC can learn from the 3 year journey CTMUHB underwent to develop their risk register and Joint Committee Assurance Framework (JAF).

The session prompted good discussion and agreement on:

- The need for precision when articulating risks to ensure they are being described through a commissioning lens and not as a provider and to provide clarity to the reader on the exact nature of the risk
- That there were several live risks which were not currently featured on the risk register and that these will be explored further through a horizon scanning exercise with individual directorates in October
- That the CTMUHB framework for risk management was not congruent for commissioning risks and that benchmarking work should be undertaken with other commissioning organisations (e.g. Integrated Care Boards (ICB's in NHSE England (NHSE))).

## 7.5 Service to NWJCC (Board) Escalation

A robust performance report is prepared and discussed at each Joint Committee meeting to allow members to fulfil their duties of scrutiny and assurance. The latest report is available here [NWJCC.nhs.wales/the-committee/committee-meeting-papers/march-2025/42-performance-report-march-2025/](https://www.nwjcc.nhs.wales/the-committee/committee-meeting-papers/march-2025/42-performance-report-march-2025/)

Moreover the data collated systematically from services, is used to drive discussions at Commissioning Team meetings, individual service level meeting and at Health Board Service Level Agreement (SLA) meetings.

There are robust conversations with regard actual performance against commissioned volumes and expected quality governance arrangements and cost through our contracting arrangements.

The Commissioning Teams triangulate the domains of performance including quality, activity and cost to ensure the NWJCC meets its

objectives. There are clear performance management arrangements in place including the risk and escalation processes which enables any issue of variance to be managed appropriately. The Commissioning teams also drive the risk management and escalation processes which are laid out in the legacy Escalation Framework part of the Commissioning Assurance Framework (CAF), all of which are focussed on promoting and maintaining improvement in the quality and value of the services we commission.

### *7.6 Risk Tolerance Levels*

The NWJCC has adopted the CTMUHB's Risk Management principle that any risk assessed as scoring 15 and above, or those not able to be managed, are escalated to the Organisational Risk Register for consideration by the NWJCC once they have been signed-off through the relevant escalation stages of internal meetings and Senior Leadership Team Management Meetings.

### *7.7 Organisational Risk Register*

#### **The NWJCC Transitional Organisational Risk Register**

The predecessor organisations EASC and WHSSC each had a Risk Assurance Framework in place to support the identification, analysis, evaluation and control of the risks which threatened the delivery of their strategic objectives and delivering against their Integrated Commissioning Plan (ICP) and Integrated Medium-Term Plan (IMTP) respectively. The frameworks were applied alongside other key management tools, such as performance, quality and financial reporting, to provide the respective Joint Committees (JCs) with a comprehensive picture of the risk profile.

Whilst both EASC and WHSSC managed robust risk management strategies, the structure and presentation of their risk registers differed slightly.

Under the new Host Body agreement, the NWJCC is required to utilise the CTMUHB approach to risk management including its strategy and procedure until such a time that the NWJCC develops and approves its own Risk Management Strategy and Assurance Framework. Therefore, as an interim approach in amalgamating the former EASC and WHSSC risk registers, the layout was brought in line with the presentation of the CTMUHB Risk Register template to move the NWJCC a step forward on its risk development journey.

The amalgamated risk register was approved as a transitional risk register by the NWJCC at its meeting on 16 July 2024 and remains in transition whilst work continues to strengthen and develop it further and until the NWJCC has had an opportunity to consider its risk appetite and risk

tolerance in Quarter 1 2025/26 as part of the NWJCC development programme.

Each risk has been allocated to an appropriate Sub-Committee to receive, monitor and to scrutinise risk management and assurance arrangements. The transitional risk register will be received by the Sub-Committees as a standing agenda item from March 2025. The NWJCC receives the risk register bi-monthly and was received at its meeting on [18 March 2025](#). The risk register is presented to the CTMUHB Audit & Risk Committee on a bi-monthly basis following assurance by the NWJCC.

The transitional risk register is an integral part of the system of internal control and defines the extreme potential risks (scored 15 or above) which may impact upon the delivery of strategic objectives. It also summarises the controls and assurances that are in place or plans to mitigate them. The risks are reviewed and signed off by the Senior Leadership Team (SLT) on a monthly basis prior to presentation to the NWJCC.

The latest transitional risk register was presented to the Joint Committee in [March 2025](#). The risk outlined in **Table 1** below were identified as posing the greatest risk with a score of 25.

[Table 1 – Extreme Red Risks scoring 25](#)

Ref	Risk Description	Risk Score
78 Utilisation of Emergency Ambulance Capacity	<p>If the capacity commissioned by the NWJCC is not utilised for its intended purpose</p> <p>Then health boards and their populations will not receive the services they require</p> <p>Resulting in patients not receiving a timely emergency ambulance response, increasing the risk of harm, disability and death</p>	25

### *7.8 Risk Management Training*

Risk management training was delivered to NWJCC by the Assistant Director of Governance & Risk from CTMUHB on 12 September 2024. Further sessions will be planned throughout 2025.

### 7.9 Independent Assurance on Risks

The NWJCC ensures independent assurance on risk through its robust governance frameworks. This includes the Corporate Risk Register which identifies and manages risks associated with healthcare commissioning

Key elements of the independent assurance process include:

- CTMUHB Audit and Risk Committee: The committee provides oversight and assurance on the effectiveness of risk management practices
- Risk Register: the comprehensive register tracks and monitors risks, ensuring they are addressed promptly
- Regular Reporting: Continuous updates and reports on risk management activities are presented to the Joint Committee and the ARAC. The Planning, Performance and Finance (PPF) Sub-Committee and the Quality, Safety and Outcomes Sub-Committee were established in February 2025 and they receive updates on the risks assigned to them for monitoring.

## 8. The Control Framework

The JCC supports the delivery of the Health and Care standards ( 2023) for safe, effective, efficient, timely person centred and equitable commissioned services for the population of Wales. As a direct result of the reorganisation, the work to review the Joint Assurance Framework (JAF) is ongoing which will span the portfolio of commissioned services. This will both standardise the framework to which the three-commissioning services work within and provide consistency in quality reporting aligned to the Duty of Quality Act.

This will support the position as described from the review of the National evidence and all Wales stakeholder engagement to meet the definition of quality:

Continuously, reliably and sustainably meeting the needs of the population (aligned to the Duty of Quality) and enable further development within the JCC a Quality Management System, an operating framework to continuously, reliably and sustainably meet the needs of the population and stakeholders. This will build on and support development of all four elements of Quality Planning, Quality Improvement, Quality Control and Quality Assurance.

An overarching goal of the JCC is to improve outcomes for people, wherever they are and wherever they live, by providing them with access to high-quality specialised services. One of the fundamental principles underpinning quality is to develop open and transparent relationships with providers, to engage and involve the clinical teams and work in partnership with stakeholders when planning and commissioning services. Where concerns regarding the quality of services are identified and remedial action is required escalation processes are initiated and acted upon in a timely manner

There will be a focus on Patient outcomes and value based health care within the JCC which will be achieved through co-production with the Health Boards and Trusts across NHS Wales, NHS England (NHSE) and the private sector. Understanding the patient experience and patient voice is vital in the services commissioned and also in the development of new services. People's experience will be integrated into all development initiatives, encompassing and fostering a culture dedicated to continuous learning and improvement, prioritising quality, safety, and experience.

Patient reported outcomes (PROMS) and patient reported experience measures (PREMS) will also support work to provide assurance in the quality of services commissioned. Data development is key to this capturing key performance indicators relevant to services and aligned within National evidence and guidance.

The domains set out in the Duty of Quality are embedded within all reports in the JCC with the Quality Impact Assessment tool used throughout the commissioning process. Recognition and development of Quality improvement initiatives and embedding of good practice within the commissioned services will be recognised supported and shared across Wales.

### *8.1 Quality Governance*

The NWJCC oversees the commissioning of healthcare services across Wales, ensuring high standards of quality and governance. The committee acts collectively on behalf of the seven Health Boards, which are ultimately accountable to their populations

The NWJCC focuses on several key areas related to quality governance:

- Quality and Patient Safety: Implementing strategies to uphold national standards and best practices
- Safeguarding: Ensuring the protection of vulnerable individuals receiving healthcare services
- Professional Regulation: Promoting professional excellence among nurses and other healthcare providers
- Complaints and Concerns: Addressing patient and stakeholder complaints to drive service improvements
- Performance Improvement: Issuing notices to address deficiencies and promote continuous improvement

The committee aims to foster a culture of excellence, safety, and continuous improvement in healthcare services across Wales.

## *8.2 Clinical Audit*

The NWJCC plays a crucial role in overseeing clinical audits to ensure the quality and safety of healthcare services across Wales. Clinical audits are systematic reviews of healthcare services to assess and improve patient care.

The National Clinical Audit and Outcome Review Plan for 2024-2025 outlines the audits and reviews that all Health Boards and trusts in Wales are required to participate in. These audits help measure the effectiveness of healthcare services and identify areas for improvement

Key aspects of the clinical audit process include:

- Data Collection: Gathering data on clinical practices and patient outcomes
- Benchmarking: Comparing performance against national standards and best practices
- Analysis and Reporting: Evaluating the data to identify strengths and areas for improvement
- Action Plans: Developing strategies to address identified issues and enhance service quality

The findings from these audits are used to drive continuous improvement in healthcare services, ensuring that patients receive the highest standard of care.

## *8.3 Corporate Governance Code*

Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, the NWJCC considers that it is complying with the main principles of the Code where applicable, through operating within the scope of the governance arrangements for CTMUHB. The NWJCC remains satisfied that it remains compliant with the main principles of the Code, is following the spirit of the Code to good effect and is conducting its business openly and in line with the Code. There were no reported/identified departures from the Code during the year.

## *8.4 Integrated Performance Dashboard*

For NWJCC – The arrangements for managing performance within the NWJCC are captured in the Performance report which can be accessed here [NWJCC.nhs.wales/the-committee/committee-meeting-papers/march-2025/42-performance-report-march-2025/](https://www.nwjcc.nhs.wales/the-committee/committee-meeting-papers/march-2025/42-performance-report-march-2025/)

## *8.5 Planning Arrangements*

The Planning arrangements relating to the NWJCC Plan can be found within the NWJCC Foundation Plan [here](#).

## *8.6 Disclosure Statements*

### *8.6.1 Equality, Diversity and Inclusion*

Equality, Diversity and inclusion (EDI) is central to the work of the NWJCC and our vision for improving and developing specialised services for NHS Wales. The NWJCC welcomes Welsh Government's distinct approach to promoting and safeguarding equality, social justice and human rights in Wales. The NWJCC is committed to complying with the provisions of the Equality Act 2020, and the public sector general duty and the specific duties to promote and safeguard equality, social justice and human rights in Wales. We are committed to ensuring and considering how we can positively contribute to a fairer society through advancing equality and good relations in our day-to-day activities.

The NWJCC follows the control measures in place of the host, CTMUHB to ensure that obligations under equality, diversity, inclusion and human rights legislation are complied with. CTMUHB policies and procedures, set out the organisational commitment to promoting equality, diversity and human rights in relation to employment. It also ensures staff recruitment is conducted in an equal manner. All staff have access to the Intranet where these are available. The Hosting Agreement includes provision for specific support around Equality and Diversity.

The NWJCC Corporate Services Manager is a member of the Equality and Welsh Language Steering Group within CTMUHB where best practice is shared and any issues are integrated into this process.

The Duty of Candour (Wales) 2023 and the Citizen Voice Body (Wales) 2023, has changed the status of equality and human rights and all public bodies in Wales are under a duty to be open and honest with service users receiving care and treatment.

The Welsh Government's Public Sector Equality Duty (PSED) advocates that all public sector organisations publish their Strategic Equality Plan (SEP) no less than every four years. Whilst the NWJCC commissions specialised services on behalf of the seven LHBs the responsibility for individual patients remains with the LHB of residence.

We have integrated equality and Welsh language impact assessments to streamline the process for users and to help ensure we consider equality

holistically and openly, rather than restrictively. Completion has improved, and more work is planned to fully integrate it into governance processes.

During 2024-2025 the NWJCC contributed to the Public Sector Equality Duty (PSED) through the following activities:

- 25 April 2025 Diverse Cymru delivered training on the CTM Strategic Equality Plan and introduction of equality impact and Welsh Language assessments work and Welsh Government Race Equality Standards.
- The NWJCC attained the Silver award of the Diverse Cymru Cultural Competency Certification Scheme designed to help organizations develop fairer services for Black, Asian, and Minority Ethnic (BAME) communities in Wales. The key features of the scheme include:
  1. **Unconscious Bias Training:** Helps the NWJCC explore and address unconscious biases, promoting a more inclusive workplace
  2. **Cultural Competence Development:** Encourages understanding and appreciation of cultural differences, which can improve service delivery and workplace dynamics
  3. **Certification:** the NWJCC attained successfully implemented the scheme and received silver certification with a merit, recognising our commitment to cultural competence and equality
- We have dedicated EDI champions in place:
  - Shameem Nawaz our independent lay member on the Joint Committee; and
  - Carole Bell our Director of Nursing and Quality is the Senior Leadership Team (SLT) Director EDI champion

Involvement in the Cultural Competence Scheme, championed by our Senior Leadership Team (SLT) from the outset of our newly formed organisation, has enabled us to embed strong core values in our approaches to equality, diversity and inclusion. The awareness sessions and subsequent reflections have given us the impetus to effect positive changes as a Commissioning body. This process is fostering a feeling of togetherness, respect and collaboration particularly during the period of organisational transition and transformation.

### *8.6.2 Welsh Language*

The NWJCC is committed to treating the English and Welsh languages based on equality and will endeavour to ensure the services we commission meet the requirements of the legislative framework for Welsh Language as required by the Welsh Language Act (1993), the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards (No. 7) Regulations. Provider organisations in Wales are subject to the same legal framework, however the provisions of the Welsh language standards do not apply to services provided in private facilities or in hospitals outside of Wales. In recognition of its importance to the patient experience, WHSSC ensures

that wherever possible patients have access to their preferred language. This commitment is now set out as an overarching statement in all new and updated WHSSC commissioning policies and service specifications.

In order to facilitate this the NWJCC is committed to working closely with providers so that in the absence of a Welsh speaker in the service, patients and their families will have access to either a translator or 'Language-line'. We will also encourage, in those services where links to local teams are maintained during the period of care, that this will provide, when possible, access to the Welsh language.

During 2024-2025, the NWJCC Corporate Services Manager and Committee Secretary attended the CTMUHB Welsh Language Steering Group meetings to lead and drive the implementation and delivery of legislative Welsh Language compliance across the NWJCC and support implementation of the "More than just words" framework. The Steering Group is a Sub-Committee of the CTMUHB People and Culture Committee. The purpose of the Group is to support the CTMUHB Board to deliver on its responsibilities, in accordance with the legislative framework for Welsh Language, and to improve service user experience, through the provision of bilingual care and support.

### *8.6.3 Well-Being of Future Generations Act (WBFGA)*

The Well-being of Future Generations Act (WBFGA) requires named statutory bodies, including CTMUHB, (our host) to ensure the needs of the current population are met without compromising the ability of future generations to meet their own needs. This 'sustainable development principle' requires the organisation to routinely follow the five ways of working from the Act (prevention, long-term, collaboration, integration, involvement), and contribute to the seven national well-being goals.

The NWJCC is committed to contributing towards the achievement of the objectives of the Well-being of Future Generations (Wales) Act aims to improve the social, economic, environmental and cultural well-being of Wales. The WBFGA gives us the opportunity to think differently and to give new emphasis to improving the well-being of both current and future generations, and to think more about the long-term, work better with people, communities and organisations, seek to prevent problems and take a more joined-up approach. This Act puts in place seven well-being goals, and we need to maximise our contribution to all seven.

The NWJCC 2025/2026 Foundation Plan integrates and demonstrates the five ways of working and contribution to well-being goals throughout the plan. Prevention is embedded throughout our work.

The cover report template for Joint Committee and Sub-Committee reports includes a section for the author to consider Organisational Implications and outline any legal implications, including the WBFGA.

#### *8.6.4 Socio Economic Duty*

The NWJCC recognises that the Socio-Economic Duty introduced by Welsh Government under the Equality Act 2010 requires relevant public bodies in Wales, which include LHB's, to have due regard to the need to reduce the inequalities of outcome that result from socio-economic disadvantage when they take strategic decisions. The duty came into force on 31 March 2021 and as a Joint Committee of the LHB's, this duty has been taken into account when planning and commissioning specialised services. The NWJCC will consider how their decisions might help reduce the inequalities associated with socio-economic disadvantage, including evidencing a clear audit trail for all decisions made that are caught by the duty. This will be discharged by using existing processes, such as engagement processes and impact assessments.

#### *8.6.5 Duty of Quality*

The statutory Duty of Quality came into force on 1 April 2023 in accordance with the Health and Social Care (Quality and Engagement) (Wales) Act 2020 (the Act) and is intended to have positive benefits for everyone in Wales, supporting a culture and the conditions needed to drive improvements in health care. Quality is more than meeting service standards it's about implementing systems to support safe, effective, person-centred, timely, efficient, equitable care.

The Health & Care Quality Standards replace the Health and Care Standards (2015) and are a framework to help plan, deliver and monitor healthcare services in Wales. They are made up of six domains of quality and six quality enablers.

During 2024-2025 the NWJCC introduced a new Patient Safety Incident Response Framework (PSIRF) which sets out the NHS's approach to developing and maintaining effective systems and processes for responding to patient safety incidents for the purpose of learning and improving patient safety. The introduction of this framework represents a significant shift in the way the NHS responds to patient safety incidents, increasing focus on understanding how incidents happen – including the factors which contribute to them. This has helped provide a visual tool and monitoring of the escalation process and supported further understanding within Health Boards as this is shared with the Quality, Safety and Outcomes Sub-Committee (QPSO) and in the QSO highlight report to the Joint Committee.

One of the requirements of the Act is to publish an Annual Quality Report. To support this a number of processes that are already in place to support the evidence required and provide an audit trail for its publication.

During the development of the Foundation Plan 2025-2026 the Quality Impact Assessment (QIA) tool was used to prioritise and make recommendations on investment decisions. This has ensured that the Duty of Quality is at the heart of our strategic planning process and has also been a useful practical exercise for our Commissioning Teams in using the QIA tool.

#### *8.6.6 Duty of Candour*

The statutory Duty of Candour came into legal force in April 2023 in line with the Health and Social Care (Quality and Engagement) (Wales) Act 2020. It requires them to be open and transparent with service users when they experience harm whilst receiving health care.

During 2024-2025 no matters were raised relating to the NWJCC.

#### *8.6.7 Membership of the NHS Pension Scheme*

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 into the Scheme are in accordance with the Scheme rules, and that member's Pension Scheme records are accurately updated, in accordance with the timescales detailed in the Regulations.

#### *8.6.8 Carbon Reduction Delivery Plans*

The NWJCC aligns to its Host Health Board (CTMUHB) Carbon Reduction Delivery Plans. See below for some specific NWJCC related activity.

The NWJCC is committed to taking assertive action to reducing the carbon footprint through mindful commissioning activities, where possible providing services closer to home (via digital and virtual access where possible) and ensuring a delivery chain for service provision and associated capital that reflects our commitment. We will also seek to support staff considerations and behaviours for those actions that have a positive effect on decarbonisation for example reduced travel, efficient travel and use of electric vehicles where possible. With effect the commencement of the 2024-2025 year, all policies contain a decarbonisation statement and a focus on innovative ways of working.

The NWJCC is committed to reducing the carbon footprint through mindful commissioning of services that take account the decarbonisation agenda,

enabling enhanced digital and virtual access for patients and through ethical consideration of staff actions and behaviours e.g. reduced travel, increased use of virtual engagement and, where feasible, use of electric vehicles. From 2022, all NWJCC's commissioning policies had a focus on innovative ways of working including digital and remote clinics to support reducing the carbon footprint.

During 2024-2025 the NWJCC continued to embed the working practices that were, by necessity, introduced in 2020. The NWJCC have adopted a blended and hybrid approach to office and remote working, reducing the need for travel, and we continue to run as many meetings as practically possible using online platforms including Microsoft Teams. Additionally, many of the NWJCC's systems which moved to paperless processes have continued operating in this way and these have proven to be more efficient and reduces our impact on the environment. We will continue do adopt these practices going forward.

Increasing numbers of staff are purchasing electric vehicles via the NHS Fleet Solutions Scheme. As a consequence, the NWJCC has EV charging stations at its premises since installation on 20 April 2022.

All our Electricity is Zero Carbon procured on an all-Wales basis under the Renewable Energy Guarantees of Origin (REGO) scheme.

NHS All Wales Clinical Waste and Municipal Waste Contracts are awarded through an NHS All Wales Tender Process managed by NWSSP Procurement services on behalf of NHS Wales. Our waste and recycling is processed by Veolia. 'Dry Mixed Recycling' (DMR) is collected and separated for recycling by Veolia. We also work with staff to raise awareness and understanding of the importance of waste segregation to ensure we can continue to meet our recycling targets.

#### *8.6.9 Duty of Consultation*

The NWJCC works on behalf of the seven Health Boards and within the WG guidance on changes to NHS services in Wales to effectively engage and consult on changes to the services it commissions as required. For any necessary service change that the NWJCC is involved in, it will work through the all Wales Directors of Planning and All Wales Engagement Leads group in order to utilise existing and established mechanisms at Health Board level. In addition, a Consultation and Engagement protocol is being developed in partnership with Health Boards to clearly set out responsibilities in relation to service change for services commissioned by the NWJCC and will be presented to the Joint Committee in 2025-2026.

#### *8.6.10 Emergency Planning, Preparedness and Response*

Emergency and business continuity arrangements were in place during the financial year 2024-25, in accordance with the duty of our host, CTMUHB,

to comply with the Civil Contingencies Act and the Emergency Planning Guidance issued by Welsh Government.

The NWJCC continues to work closely with CTMUHB on business continuity planning arrangements.

The NWJCC are working in partnership with all Health Boards and utilise their recovery plans to influence our Foundation Plan/IMTP. This is supported by a robust risk management framework and the ability to identify, assess and mitigate risks that may impact on the ability to achieve our strategic objectives.

The Joint Committee recognised the contribution in supporting NHS Wales to be able to plan for and respond to a wide range of incidents and emergencies that could affect health or patient care, in accordance with requirement for NHS bodies to be classed as a category 1 responder deemed as being at the core of the response to most emergencies under the Civil Contingencies Act (2004).

The NWJCC commission emergency ambulance services for NHS Wales and on 21 August 2024 the Chief Executive, Welsh Ambulance Services University Trust (WAST) sent a Recommendation 106 report to the Chief Commissioner at NWJCC. *As a commissioner we have set up a project to respond to the business case presented by WAST via the WAST R106 Capability Report, developed in response to the recommendations of the Manchester Arena Inquiry – therein meeting the obligations under recommendation 106.* The NWJCC are working in partnership with WAST to identify costs for recommended improvements which are suggested to represent the minimum requirements needed for WAST to fully comply with the Manchester Arena Inquiry (MAI) recommendations.

#### *8.6.11 Data Security & Information Governance*

The Committee Secretary is the Lead Officer link to the host CTMUHB in relation to Information Governance for the NWJCC. An agreement has been made that the Medical Director of CTMUHB, as host organisation, will act as Caldicott Guardian for the NWJCC. The Caldicott Guardian, is responsible for the protection of patient information. Guidance and support on Information Governance issues is obtained from the IG team at CTMUHB.

The Committee Secretary and the Corporate Services Manager are members of the CTMUHB Information Governance Group.

There were no NWJCC specific incidents relating to data security that required reporting to the Information Commissioner's Office (ICO) during 2024-2025.

### *8.6.12 Register of Interests*

Register of interests Details of company directorships and other significant interests held by members of the NWJCC, which may conflict with their responsibilities, are maintained, and updated on a regular basis. A Register of Interests is available on the NWJCC website [here](#) or a hard copy can be obtained from the Assistant Director of Corporate Governance/Committee Secretary on request.

### *8.6.13 Environmental, Social and Community Issues*

The NWJCC works hard to reduce its impact on the environment, to encourage staff to make healthy lifestyle choices, and to strengthen our relationships and engagement with local communities. Our strategic approach to sustainability ensures that we not only look at ways to reduce fixed costs such as energy, water and waste, however, we also embed efficiency principles within our processes for procuring goods and services.

### *8.6.14 Ministerial Directions*

The Ministerial Directions and Welsh Health Circulars received during 2024-2025 are outlined in **Appendix E**.

All Directions were shared with the relevant Director lead for action / noting as appropriate.

### *8.6.15 Modern Slavery Act 2015 – Transparency in Supply Chains - The Welsh Government's Code of Practice*

Ethical Employment in Supply Chains highlight the need, at every stage of the supply chain, to ensure good employment practices exist for all employees, both in the United Kingdom and overseas. The NWJCC aligns with its Host, CTMUHB, employment practices.

CTMUHB has continued to embed the principles and requirements of the Code, and the Modern Slavery Act 2015. In doing so, it is demonstrating our continued commitment to playing its role as a major public sector employer, to eradicate unlawful and unethical employment practices, such as:

- Modern Slavery and Human rights abuses;
- The operation of blacklist / prohibited lists;
- False self-employment;
- Unfair use of umbrella schemes and zero hour's contracts;

To promote this agenda, CTMUHB raises awareness of the Code with our staff via Statutory and Mandatory training, as well as with our contractors

and suppliers, through the procurement process. CTMUHB is an accredited Living Wage Employer, which means our staff receive an hourly rate, which is higher than the Government's "Minimum National Living Wage." This commitment applies to not only to our directly employed staff but also to our third-party contractor and supplier staff. Newly appointed CTMUHB contractors / suppliers are required to pay their staff the living wage if they are not already in receipt. This ensures everyone working or undertaking work for CTMUHB will receive a fair day's pay for their work.

CTMUHB has in place a Raising Concerns (Whistleblowing) SharePoint page, which provides our staff with easy access to the policy and a summary of the process and individuals they may contact, to empower and enable them to raise suspicions of any form of malpractice, by either our staff or that of suppliers / contractors working on our premises. Staff also have the opportunity to raise such matters via the Respect and Resolution Policy, Procedure for Dealing with Anonymous Communications, Concerns Policy and Procedure, Being Open Policy and Procedure and Final Persistent Complaints Procedure, all of which provides our employees, workers, patients and the public with a voice, to raise any concerns they may have relating to our contractor's and supplier's behaviours and / or treatment of their workforce or that of the Health Board.

The NWJCC also has an anonymous staff query e-form available on the intranet SharePoint site, Pulse. The digital form is completely anonymous for staff to comment, raise, queries, and make suggestions. Once received, these are published on a dedicated page with a response published alongside. Each query is also highlighted at the fortnightly Team Briefings, with links shared to the Pulse page for staff to read all comments and responses in full. This function was initially introduced for the implementation of the Combe Review, to support staff going through organisational change. However, this has remained in place as an alternative route for colleagues who may feel uncomfortable in asking questions/making suggestions in a staff meeting setting, and supports the transparency being embedded in the NWJCC.

This process will be strengthened in 2025 – 2026, when CTMUHB introduces the Working in Confidence online platform. This will enable our employees to raise concerns anonymously, should they wish to do so and to have ongoing interact with a CTMUHB Speaking up Safely champion, until their concern is addressed.

As evidenced by our ongoing Living Wage accreditation, the Health Board has continued to work in partnership with NHS Wales Shared Services Partnership, recruitment and, buying and procurement staff, to ensure the code commitments underpin and support these activities.

During 2025-2026 CTMUHB will continue to take the following actions, to deliver on the Code's commitments: -

- Produce and publish an annual Ethical Employment Statement on SharePoint, internally and externally;
- Seek assurances the NWSSP Procurement Service continues to use the Transparency in Supply Chains (TISC) Report - Modern Slavery Act (2015) compliance tracker, through contracts procured by them, on the behalf of CTMUHB;
- Utilise the tender process to obtain assurances that potential suppliers do not make use of blacklists / prohibited lists;
- Ensure all newly appointed contractors and suppliers are paying their staff the living wage;
- Continue to pay the living wage to our staff on the lowest pay bands, which are Agenda for Change Bands one and two;
- Pay our contractors and suppliers within the 30-day target of receipt of a valid invoice;
- Continue to utilise our robust IR35 processes, to reduce the risk of false self-employed workers or workers being engaged under umbrella schemes;
- Continue to use our robust IR35 processes to facilitate the fair and appropriate engagement of all workers and prevent individuals from avoiding paying Tax and National Insurance contributions;
- Not engage or employ any staff or workers on Zero Hours Contracts;
- Rigorously implement our robust Recruitment and Selection Policy and pre-employment checking procedure, to ensure a fair, transparent, and safe appointment process;
- Rigorously implement our robust Equality and Diversity Policy, to ensure no potential applicant, employee or worker engaged by CTMUHB is in any way unduly disadvantaged, in terms of pay, employment rights, employment, training and development or career opportunities;
- Ensure, in accordance with the Transfer of Undertaking (Protection of Employment) Regulations any staff or workers required to transfer to a third- party organisation, will retain their NHS Pay and Terms and Conditions of Service; and
- Launch the Working in Confidence online platform, to encourage and support our staff to speak up safely.

## 9. Review of Effectiveness

As Chief Commissioner of the NWJCC, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors, and the officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors and other reports.

Despite this not being a statutory obligation for the NWJCC, it is a principle of good governance and best practice that all Wales NHS organisations should undertake a formal and rigorous annual evaluation of their own

performance and that of their committees in accordance with the Standing Orders.

For the 2024-2025 assessment, a Microsoft Forms questionnaire was circulated to all Joint Committee Members and the Senior Leadership Team on 8 April 2025.

The survey questions were derived from good practice guidance, including the NHS Audit Handbook, and HB questionnaires developing following Audit Wales reports. The questions adhered to the following principles:

- the need for Sub-Committees to strengthen their governance arrangements and support the Joint Committee in the achievement of the strategic objectives,
- the requirement for a committee structure that strengthens the role of the Joint Committee in strategic decision making and supports the role of Lay Members in challenging management actions,
- maximising the value of the input from Lay Members , given their limited time commitment, and
- supporting the Joint Committee in fulfilling its role, given the nature and magnitude of the NWJCC agenda.

Overall, the surveys received a positive response and these will be reported to the Joint Committee in a comprehensive report on 15 July 2025. The feedback will contribute to the development of a Joint Committee Development plan, which will map out the development activities for the Joint Committee and its sub committees. A copy of all the development activities that have taken place during 2024-2025 can be found at **Appendix D**.

As the NWJCC was established on 1 April 2024, and the new Sub-Committees were not established until February 2025 the Committee Effectiveness exercise for 2024-2025 was limited to the Joint Committee only and did not include Sub-Committees due to their infancy.

To obtain a broad view of the Committee’s effectiveness, it is important to consider the additional mechanisms and tools, which are used in order to provide evidence that the NWJCC’s systems of internal control are working effectively. By using the tools outlined in **table 2** below to map the various sources of assurance issues, gaps in controls and/or gaps in assurance can be identified:

Table 2 – Tools to Review Effectiveness

Tool	Scope	Assurance Reporting
<b>Corporate Register</b> <b>Risk</b>	This is an essential component of the NWJCC’s internal control system and is used as a	The risk register is presented to each Joint Committee and ARAC meeting.

<b>Tool</b>	<b>Scope</b>	<b>Assurance Reporting</b>
	<p>systematic and structured method of recording all risks (operational, financial and strategic) that threaten the achievement of the NWJCC's objectives. This forms an integral part of day-to-day practices and culture, utilising a single co-ordinated approach to the identification, assessment and management of all types of risk.</p>	<p>The PPF and QSO Sub-Committees have key risks assigned to them which they scrutinise on behalf of the Joint Committee.</p> <p>The operating framework for the risk register is outlined in the CTMUHB Risk Management Strategy.</p>
<b>Internal audit</b>	<p>Look at areas related to corporate governance, risk management and internal control.</p>	<p>The NWJCC Audit tracker outlines audits undertaken and progress being made against recommendations, and is presented to each CTMUHB Audit &amp; Risk Committee meeting.</p>
<b>External Audit</b>	<p>Look at areas related to corporate governance, risk management and internal control.</p>	<p>Updates on progress against the recommendations outlined in the Audit Wales Report on Committee Governance Arrangements was presented to the Joint Committee and the ARAC throughout 2024-2025.</p>
<b>Internal Policies</b>	<p>Policies and procedures designed to give management a reasonable assurance that the company achieves its objectives</p>	<p>A report on operational policies is presented to the QPSC and QSO routinely for assurance.</p> <p>The NWJCC internal policy group oversee the management of all policies.</p>

<b>Tool</b>	<b>Scope</b>	<b>Assurance Reporting</b>
<b>Regulatory and Legal</b>	Compliance with regulatory and legislative frameworks.	Routine assurance reports to JC and sub committees and the NWJCC Accountability report, which is included as part 2 in the CTMUHB Annual Report and Accounts.
<b>Stakeholder feedback</b>	Receiving feedback from people (named or anonymous), whose views are considered helpful and relevant.	The NWJCC obtain stakeholder feedback through formal consultation processes and through regular dialogue with the Joint Committee, sub committees, through attending peer group meetings and 1 to 1 meetings.
<b>Joint Assurance Framework (JAF)</b>	Brings together in one place all of the relevant information on the risks to the achievement of strategic objectives. Known as a Board Assurance Framework (BAF) in HB's.	The NWJCC have made a commitment to introducing a JAF; however, this has not yet been developed.

*\*Note this list is not exhaustive*

### *10. Accountable Officer Statement*

The NWJCC is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

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

#### *10.1 Summary of 2024-2025 Audit Assurance Ratings for NWJCC*

A summary of the audits undertaken in the year and the results are summarised in the table below:

<b>Substantial Assurance</b> <ul style="list-style-type: none"> <li>• n/a</li> </ul>	<b>Reasonable Assurance</b> <ul style="list-style-type: none"> <li>• Mental Health &amp; Vulnerable Groups</li> <li>• Finance Systems</li> </ul>
<b>Limited Assurance</b> <ul style="list-style-type: none"> <li>• n/a</li> </ul>	<b>Advisory/Non-Opinion</b> <ul style="list-style-type: none"> <li>• Establishment of the NWJCC - Advisory</li> </ul>
<b>No Assurance</b> <ul style="list-style-type: none"> <li>• n/a</li> </ul>	

Statutory NHS bodies are required to have an end of year Head of Internal Audit Opinion (HOIA). The NWJCC is a non-statutory, hosted body under CTMUHB and is accountable to the 7 x HBs. Therefore, the NWJCC do not have their own HOIA.

The accountability report is the primary source of assurance provided to CTMUHB as host, and the other 6 x HBs as we are a sub-committee of the 7 x HBs.

## 10.2 Audit Wales

### **WHSSC Committee Governance Arrangements**

On the 17 December 2024 the CTMUHB Audit and Risk Committee (ARC) received a final update on the legacy recommendations outstanding relating to the review of [Audit Wales Committee Governance Arrangements at WHSSC](#) report, and on the [21 January 2025](#) the Joint Committee received an update. The report outlined 4 recommendations for WHSSC all of which were completed in 2023. There were three recommendations for Welsh Government (WG), 2 of which remained outstanding in 2024. The NWJCC maintained a close dialogue with Welsh Government on their discussions with Audit Wales on whether the outstanding actions could be categorised as completed, given that the committees of WHSSC and EASC were combined under the NWJCC and that the risk and governance frameworks had been established. The NWJCC received confirmation from Audit Wales in December 2024 that the outstanding WG recommendations were categorised as completed.

## 11. Conclusion

To the best of my knowledge, there have been no significant internal control or governance issues identified during this period other than those already referenced in this document.

Signature:



**Huw George**

**Interim Chief Commissioner**

**Date: 26 June 2025**



Appendix B - Table of Joint Committee Membership and Attendance

Name	Position	Organisation	Attendance at Meetings 2024-2025
Non Officer Members (Voting)			
Ian Green	Chair	NHS Wales Joint Commissioning Committee	8/8
Susan Elsemore	Lay Member	NHS Wales Joint Commissioning Committee	7/8
	Chair QSO Sub-Committee 1 February 2025-31 March 2025		
Nia Roberts	Lay Member	NHS Wales Joint Commissioning Committee	7/8
	Vice Chair 1 November 2024-7 February 2025		
	Audit and Finance Lead on CTMUHB ARC 1 November 2025-31 March 2025		
Paul Worthington	Lay Member	NHS Wales Joint Commissioning Committee	8/8
	Audit and Finance Lead on CTMUHB ARC 1 April 2024 -31 October 2024		
	Chair of the PPF sub committee 1 February 2025-31 March 2025		
Shameem Nawaz	Lay Member (1 November 2024-31 March 2025)	NHS Wales Joint Commissioning Committee	3/3
Mandy Rayani	Lay Member (1 November 2024-31 March 2025)	NHS Wales Joint Commissioning Committee	2/3
Chief Executive Members (Voting)			

<b>Name</b>	<b>Position</b>	<b>Organisation</b>	<b>Attendance at Meetings 2024-2025</b>
Richard Evans	Member (1 April 2024 – 28 October 2024)	Chief Executive, Swansea Bay UHB	5/5
Abigail Harris	Member (28 October 2024 – 31 March 2025)	Chief Executive, Swansea Bay UHB	3/3
Paul Mears	Member	Chief Executive, Cwm Taf Morgannwg UHB	8/8
Philip Kloer	Member	Interim Chief Executive, Hywel Dda UHB	7/8
Suzanne Rankin	Member	Chief Executive, Cardiff & Vale UHB	7/8
Carol Shillabeer	Member	Chief Executive, Betsi Cadwaladr UHB	6/8
Hayley Thomas	Member	Interim Chief Executive, Powys teaching HB	8/8
Nicola Prygodzicz	Member	Chief Executive Officer, Aneurin Bevan UHB	8/8
<b>Joint Committee Associate Member (Non-Voting)</b>			
Abigail Harris	Associate Member 1 April 2024 – 28 October 2024)	Interim Chief Commissioner	5/5
Stacey Taylor	Associate Member (28 October 2024 – 31 March 2025)	Interim Chief Commissioner	3/3

Appendix C - Table of Joint Committee & Sub-Committee Meetings held during 2024-2025

	2024									2025		
	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
<b>Joint Committee</b>	23	21		16		17		12		21		18
<b>Joint Committee (extraordinary)</b>	09				14							
<b>Quality &amp; Patient Safety Sub Committee (legacy of WHSSC)</b>			24			02		11				
<b>Planning, Performance &amp; Finance Sub-Committee</b>											11	
<b>Quality, Safety &amp; Outcomes Sub-committee</b>											03	31

\* All meetings were quorate

Appendix D – Joint Committee Strategy and Development Plan 2024-2025

Meeting Date	Topic	Plan for Delivery and Evaluation
<b>Joint Committee</b>		
<b>20 August 2024</b>	<ul style="list-style-type: none"> <li>• Vision, Mission, Role &amp; Strategic Objectives</li> <li>• Development of IMTP</li> <li>• Financial Plan Update</li> <li>• Ambulance Services                             <ul style="list-style-type: none"> <li>○ Current Commissioning Challenges</li> <li>○ Clinical Model for Ambulance Services</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Chairs reflections after the meeting</li> <li>• Annual Committee Effectiveness survey 2024-2025</li> </ul>
<b>15 October 2024</b>	<ul style="list-style-type: none"> <li>• Recommendation 4 – Bespoke Road Based Service</li> <li>• Update on Risk Journey</li> <li>• Integrated Medium Term Plan 2024/2027</li> <li>• Financial Plan Update</li> <li>• Transition Plan</li> <li>• NWJCC Sub-Committee discussion / nominations</li> </ul>	<ul style="list-style-type: none"> <li>• Chairs reflections after the meeting</li> <li>• Delivery of the IMTP 2024-2025 reports</li> <li>• Annual Committee Effectiveness survey 2024-2025</li> </ul>
<b>10 December 2024</b>	<ul style="list-style-type: none"> <li>• Population Health Presentation on the prevalence of disease – why we will not treat our way out of this current position</li> <li>• Integrated Medium Term Plan (IMTP)</li> <li>• Risk Appetite and Tolerance - Ambulance risks</li> <li>• Transition Plan Update</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of the IMTP 2024-2025 reports</li> <li>• Annual Committee Effectiveness survey 2024-2025</li> </ul>

Meeting Date	Topic	Plan for Delivery and Evaluation
<b>18 February 2025</b>	<ul style="list-style-type: none"> <li>• Integrated Medium Term Plan (IMTP) 2025-2028</li> <li>• Regional Specialised Services Provider Planning Partnership (RSSPPP) – NWJCC Future Commissioning Remit</li> <li>• Organisational Change Policy (OCP) process update</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of the IMTP 2024-2025 reports</li> <li>• Annual Committee Effectiveness survey 2024-2025</li> </ul>

*Appendix E – Welsh Health Circulars and Ministerial Directions Received 2024-2025*

Ministerial Direction / Date of Compliance	Date / Year of Adoption
<b>WHC 2024 (007)</b> - Guidelines for managing patients on the suspected cancer pathway	April 2024
<b>WHC 2024 (013)</b> - Governance on interim appointments to Executive and Senior Positions	April 2024
<b>WHC 2024 (014)</b> - Introduction of the Office of National Statistics' (ONS) Register of Geographic Codes (RGCs) as a foundational standard for use across NHS Wales Bodies.	April 2024
<b>WHC 2024 (016)</b> - Healthy Child Wales Programme: for school aged children	April 2024
<b>WHC 2024 (017)</b> - Implementation of the Non-pay Elements of the 2022-24 Collective Agreement	March 2024
<b>WHC 2024 (019)</b> - Interim amendments to the Model Standing Orders for Local Health Boards and NHS Trusts in Wales	April 2024
<b>WHC 2024 (020)</b> - Exemptions for Local Health Boards and NHS Trusts to the requirement to implement recommendations made by the National Institute for Health and Care Excellence or the All Wales Medicines Strategy Group within the usual period, in specified circumstances	May 2024
<b>WHC 2024 (021)</b> - Croeso i Gymru / Welcome to Wales: Policy Guidance Framework	November 2024
<b>WHC 2024 (022)</b> - Dispute Arbitration Process - Guidance for Disputed Debts (invoices and service agreements) within NHS Wales: 2024/25 – 2026/27	April 2024
<b>WHC 2024 (024)</b> - Implementation of the agreed approach to preventing Violence and Aggression towards NHS staff in Wales	May 2024
<b>WHC 2024 (025)</b> - NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2024/25	June 2024
<b>WHC 2024 (026)</b> - 2024/25 LHB, SHA & Trust Monthly Financial Monitoring Return Guidance	May 2024

<b>WHC 2024 (027)</b> - All Wales Critical Care Escalation Guidance for the Management of All Large Unplanned Increases in Demand	June 2024
<b>WHC 2024 (028)</b> - The National Influenza Immunisation Programme 2024-25	June 2024
<b>Letter dated 27/09/2024 (WHC 2024 (028))</b> - Change to the eligible cohorts for influenza (flu) vaccination - inclusion of poultry and avian flu outbreak response workers at highest risk.	September 2024
<b>WHC 2024 (029)</b> - Certification of Vision Impairment in Primary and Community Care	June 2024
<b>WHC 2024 (030)</b> - Published Weight Management Medication Pathway	November 2024
<b>WHC 2024 (031)</b> - Agency Workforce Reduction Programme and Control Framework 2024-25	June 2024
<b>WHC 2024 (032)</b> - Introduction of new NHS Wales vaccination programmes against respiratory syncytial virus (RSV)	June 2024
<b>WHC 2024 (033)</b> - The Winter Respiratory Programme 2024/25	August 2024
<b>WHC 2024 (034)</b> - Directions to apply the National Framework for the Commissioning of Care and Support in Wales: Code of Practice to local health boards and NHS trusts – August 2024	August 2024
<b>WHC 2024 (035)</b> - Standardising the management of acute deterioration	September 2024
<b>WHC 2024 (036)</b> - Oxygen Cylinders – Regulation 28 Report and Patient Safety Notice (PSN) 042 reminder	August 2024
<b>WHC 2024 (037)</b> - Winter Respiratory Framework 2024 to 2025	September 2024
<b>WHC 2024 (038)</b> - AMR & HCAI Improvement Goals for 2024-2025	September 2024
<b>WHC 2024 (039)</b> - Pre-Transfusion Sample taking Compliance with the confirmatory sample rule	October 2024
<b>WHC 2024 (040)</b> - Adopting a patient and family-initiated escalation approach	October 2024
<b>WHC 2024 (041)</b> - Ambulance patient handover guidance	October 2024
<b>WHC 2024 (042)</b> - Introduction of the 'Dictionary of medicines and devices'	November 2024 (and January 2025)

<b>WHC 2024 (043)</b> - Pertussis Vaccine Offer for Healthcare Workers	November 2024
<b>WHC 2024 (044)</b> - Mandatory E-Learning Module – Anti-Racism	November 2024
<b>WHC 2024 (045)</b> - Spotting Sepsis in Children, Awareness Leaflet	November 2024
<b>WHC 2024 (046)</b> - Influenza (flu) Vaccination Programme deployment 'mop up' 2024- 2025	December 2024
<b>WHC 2024 (047)</b> - COVID-19 spring vaccination programme 2025	December 2024
<b>WHC 2024 (050)</b> - Infected Blood Inquiry: Implementation of Recommendation 8a and 8b	December 2024
<b>WHC 2024 (051)</b> – 2025-26 Health Board Allocations	February 2025
<b>WHC 2024 (022)</b> – Disputed Debts between NHS Organisations	February 2025
<b>WHC 2025 (001)</b> - NHS Wales Sustainability Conference and Awards 2025	March 2025
<b>WHC 2025 (002)</b> - Timelines and Responsibilities for the Implementation of Early Warning Scores (EWS) to identify Acute Deterioration	February 2025
<b>WHC 2025 (005)</b> - Climate Emergency Spread & Scale Leadership Day & Adaptation	March 2025
<b>WHC 2025 (007)</b> - Amendments following interim review to the Model Standing Orders for Local Health Boards, NHS Trusts and Special Health Authorities in Wales	March 2025

<b>Agenda Item</b>
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2.1.3
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<b>Audit, Risk &amp; Assurance Committee</b>
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<b>Report on the Audited Financial Statements 2024-2025</b>
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<b>Dyddiad y Cyfarfod / Date of Meeting</b>	25/06/2025
<b>Statws Cyhoeddi / Publication Status</b>	Open/ Public
	Not Applicable
<b>Awdur yr Adroddiad / Report Author</b>	Helen Harris, Financial Accountant
<b>Cyflwynydd yr Adroddiad / Report Presenter</b>	Stacey Taylor, Director of Finance and Information
<b>Noddwr Gweithredol yr Adroddiad / Report Executive Sponsor</b>	Stacey Taylor, Director of Finance and Information

<b>Pwrpas yr Adroddiad / Report Purpose</b>	For Noting
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<b>Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/Group)</b>		
<b>Committee / Group / Individuals</b>	<b>Date</b>	<b>Outcome</b>
(Insert Details)	Click or tap to enter a date.	Choose an item.

<b>Acronyms / Glossary of Terms</b>	

## 1. SITUATION

To provide an update to the Audit, Risk & Assurance Committee on the Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2025.

## 2. BACKGROUND

As in previous years, the end of year accounting process was completed under a very strict and very tight timescale.

In order to allow Cwm Taf Morgannwg sufficient time to consolidate the position into its own accounts, a full set of financial statements, in the same Welsh Government format as each of the Local Health Boards, must be completed to a faster timescale than the rest of Wales. This obviously produces its own unique challenges for the Financial Accounting. This year the accounts were submitted on the 25<sup>th</sup> April 2025.

As noted at committee in previous years, the format and pages within the accounts document is set by Welsh Government and the settings within the document are protected to allow Welsh Government to easily bring together the whole of NHS Wales. Members are asked to note that there are 3 blank pages within the accounting policies and notes pages that we are unable to delete, and which have been hidden from view.

There were no end of year disputes with any NHS Wales organisation. End of year debtor and creditor, income and expenditure balances were agreed with 7 Local Health Boards and 3 NHS Trusts.

## 3. AUDIT FINDINGS

Members are asked to note the following audit findings which have been adjusted in the final document.

### i. **Note 6.1 Public Sector Payment Policy (Page 37)**

On discussion with Audit Wales, it was agreed that there was a £0.313m overstatement of the total Non-NHS invoices paid by value for 2024-25, leading to similar overstatement of the total invoices paid value. However, the value of invoices meeting the target was verified as being correct. The impact of the overstatement is to increase the percentage of invoices meeting the target from 97.2% to 97.9%. This has been agreed and the adjustment has been made in the final accounts. There is no impact on the Primary Statements as it only affects a disclosure note.

**ii. Note 16 Events After The Reporting Period (Page 49)**

On discussion with Audit Wales, it agreed that a narrative comment had been omitted from the draft accounts.

**iii. Note 17 Related Party Transactions (Page 50)**

On discussion with Audit Wales, it was agreed to change the format of the note to align with that used by CTM in the consolidated accounts. The new format is simplified, clearer and more transparent.

**iv. Note 17 Related Party Transactions (Page 50)**

On discussion with Audit Wales, it was agreed that there was an over-disclosure within the draft related parties note which included 5 invalid Related Parties. These have been removed in the final audited document.

**v. Note 17 Related Party Transactions (Page 50)**

On discussion with Audit Wales, it was agreed that the expenditure declared against Cardiff University contained a clearing payment of an expense for £28,788 accounted for in 2023-24. Therefore, the amount declared for 2024-25 has been reduced to £3.976m.

#### **4. KEY THEMES**

In order to appropriately brief Audit, Risk & Assurance Committee members, each of the key financial statements and supporting notes will be discussed in the order that they present in the Welsh Government format. This paper is intended to direct members to the key issues of note and to highlight areas of significant estimate.

#### **Statement of Comprehensive Net Expenditure ( Page 2 )**

As in previous years this indicates that at 31<sup>st</sup> March 2025, the Joint Committee broke even as required under the terms of the risk sharing agreement. This means there was neither a surplus nor a deficit and that all Local Health Boards agreed to their share of the out turn position.

Overall expenditure has increased by 8.09% on the 2023-24 position. This increase, which amounts to £89.5m, is attributable to not only the additional funding secured through the 2024-25 annual plan, which amounted to £69.3m, but was topped up by further funding streams of an additional £7.8m of specifically directed allocations and a further £12.4m movement on the end of year risk sharing position and other invoiced income.

Unlike Local Health Boards, there is no requirement to disclose achievement of operational balance. This is because, unlike Local Health Boards, the Committee does not receive resource allocations directly from Welsh Government. All

funding, including the risk sharing income, is classed as Miscellaneous Income under the Welsh Government rules and is declared on Page 31, Note 4.0.

Key adjustments to funding in 2024-25 were as follows:

	<b>£m's</b>
Annual Plan Investment	69.3
Less: Non Recurring Funding Streams	-56.1
Less: Velindre Transfer of Non Specialist Cancer	-25.7
NHS England Tariff Price Uplift	10.2
Funding for Cystic Fibrosis drugs	46.9
NHS Wales Pay Award	16.9
Advanced Therapy Medicinal Products (ATMP)	6.5
Directed Funding for WAST	1.1
Transfer of Service: Sexual Assault Referral Centres	0.8
Genomics Developments	5.6
Movement of Final Risk Sharing Outcome	13.1
Other funding movements	0.9

### **Statement of Financial Position or Balance Sheet ( Page 4 )**

It is usual among commissioning organisations to have a negative balance sheet total. This was the case for many of the original 22 individual Local Health Boards. Such organisations are unlikely to have substantial fixed assets to fall back on and, as they are not income generating, they do not build up large debtor balances, but they do incur large creditor balances as a result of outstanding end of year provisions for services provided but not paid for.

This negative balance also represents the underlying deficit inherited from the originating predecessor organisation, Health Commission Wales, and will continue indefinitely, firstly because of the risk sharing requirement to break even every year and secondly, will continue by default unless the Committee is able to receive a resource allocation direct from Welsh Government to remove the inherited deficit.

### **Statement of Changes in Taxpayers Equity ( Page 5 )**

This can be demonstrated in the Statement of Changes in Taxpayers Equity which for the committee does not change from year to year.

### **Statement of Cash Flows ( Page 7 )**

Additional Notes to the Cash Flow can be found on Page 48, Note 14.

Cash flows relating to operating costs will always equal zero as long as the Committee is funded through the risk sharing agreement, whereby all funding received will equal all expenditure out, in the absence of any direct allocation.

Current Welsh Government rules do not stipulate a maximum cash tolerance level for Local Health Boards. Organisations are, however, required to maintain operational cash balances at a minimum.

Further information regarding end of year cash balances is provided later in this document.

## Notes to the Accounts ( Pages 8 to 55 )

While the bulk of the notes to the accounts are prescriptive and laid down by Welsh Government and HM Treasury, there are 2 notable exceptions that are specific only to the Joint Committee.

Committee members are asked to direct attention to Note 1.3 Income and Funding. This describes the nature of the Risk Sharing Agreement which provides the committee with substantially all of its funding. This note also provides an assessment of IFRS 15, Revenue from Contracts with Customers. As the committee risk share funding is unique within NHS Wales, this interpretation is very different to that used by Local Health Boards and was specifically agreed with both Welsh Government and with the Audit Wales technical team.

Note 1.23 Critical Accounting Judgements describes the key areas of estimation uncertainty within the Statements and is specific to the 41 Long Term Agreement contracts between the Joint Committee and NHS England providers.

Moving on to the year to year movements within the key supporting financial schedules.

### Note 3.1 Expenditure on Healthcare – Other Providers ( Page 28 )

Taking each main heading in turn the main movement are described in the following tables

<b>NHS Wales Health Boards 6.87% increase</b>	
Annual Plan Investment	£25.2m
Additional Investment – Sexual Assault Referral Centre Cardiff & Vale	£0.9m
Activity adjustments to LTA's – Cardiff & Vale	£5.2m
Activity adjustments to LTA's – Swansea Bay	£1.4m
Movement on Non Recurrent Saving Schemes Cardio-thoracic services SBU and Cardiac Surgery, Paediatric Surgery and Genetics Cardiff & Vale	£2.1m
Individual Patient Funding – Cardiff & Vale Cystic Fibrosis High Cost Drugs	£2.3m
Individual Patient Funding – Cardiff & Vale Paediatric Neurology High Cost Drugs	£1.2m
Individual Patient Funding – Cardiff & Vale Enzyme Replacement Therapy High Cost Drugs	£1.1m

Individual Patient Funding – BCU Eculizumab	£0.5m
Other Expenditure Movements	-£0.1m

<b>NHS Wales Trusts 3.29% increase</b>	
Transfer of Service – NHS 111 WAST	£10.5m
Annual Plan Investment – WAST NEPTS	£8.4m
Annual Plan Investment – Velindre Melanoma Pathway and drugs	£4.6m
Additional Investment – WAST Wage Award	£13.7m
Transfer of Service – Velindre non specialist cancer	-£25.7m
Activity adjustments to LTA's	-£1.9m
Other Expenditure Movements	£0.4m

<b>Non Welsh Bodies 18.82% increase</b>	
Inflationary tariff increases on English LTA Contracts	£16.6m
Annual Plan Investment	£5.7m
Movements on IPFR requests – Cystic Fibrosis Drugs - across Manchester, Alder Hey, Heart of England & Liverpool Heart & Chest	£2.2m
Movements on IPFR requests – Bone Marrow Transplants – Leeds, Newcastle, Sheffield, University Hospitals Bristol	£0.6m
Movements on IPFR requests – Oxford – Intestinal and Liver Transplants	£0.7m
Movements on IPFR requests – Proton Beam - NHS England, Clatterbridge	£1.0m
Movements on IPFR requests – Ravulizumab – Leeds	£0.3m
Movements on IPFR requests – Enzyme Replacement Therapy - Salford	£0.5m
Service activity reduction – High Cost Drugs Zolgensma – Sheffield, University Hospitals Bristol	-£2.1m
Service activity increase – North Bristol Thrombectomy	£1.2m
Service activity increases – Kings London CAR-T (chimeric antigen receptor T-cell)	£1.1m
Movement on IPFR non contract emergency activity provision	£0.5m
IPFR activity and spend accrual movements against prior year write backs – Cancer services at Clatterbridge, Southampton, Liverpool University	£1.5m
Other IPFR activity and spend accrual movements against prior year write backs – Hampshire, Newcastle, University Hospitals Birmingham, Robert Jones & Agnes Hunt	£3.3m
Other expenditure movements	£0.3m

<b>Voluntary Organisations 26.45% increase</b>	
Increase in Child and Adolescent Mental Health placements – St Andrews	£0.5m
Increase in Sexual Assault Referral Centres contract – New Pathways	£1.0m

Reduction in use of St Johns Ambulance Virtual Ward Service and write back of service extension	-£0.7m
Other Expenditure Movements	-£0.1m

<b>Private Sector 14.35% increase</b>	
Contract price inflation Increase - Home Parenteral Nutrition Service	£2.2m
Increase in Medium Secure placements at higher bed day rates	£1.1m
Movement on Non Recurrent Saving Schemes – Mental Health out of area placements	£1.6m
Other Expenditure Movements	-£0.1m

Services provided by Special Health Authorities is related to IT and data systems support for the JCC Willowford Office provided by Digital Health and Care Wales. Services provided by Local Authorities relates to transactions with South Wales and Gwent police forces in support of the Sexual Assault Referral Services for those regions.

### **Note 3.2 Expenditure on Hospital & Community Services ( Page 29 )**

Members are asked to note that for a number of the expenditure headings within Note 3.2, the comparative spend in 2023-2024 was lower than would normally be expected, making the 2024-2025 year appear to be exceptionally high in comparison. Within that there are a number of items of note that are discussed below.

The heading General Supplies and Services contains £0.137m of Welsh Government funded and directed expenditure relating to public information and advertising of the NHS 111 service.

The increase in Consultancy costs includes £0.026m on legal fees associated with the judicial review and £0.306m relating to the mental health strategy including the Royal College of Psychiatrists review.

Establishment related costs have remained stable from one year to the next with increases in spend on conferences by Traumatic Stress Wales being offset by a reduction in set up costs of the Sexual Assault Referral Centres.

Movements in premises costs must be viewed in light of 2023-2024 expenditure being lower than would normally be expected due to a large reduction of £0.120m in that year for accrued renal dialysis patient transport costs. Also included in this spend category is £0.012m for the set up and rental costs of the JCC office in Mold.

Elsewhere in this note the other material increases to discuss are as follows:

The whole time equivalent numbers of appointments to the committee staffing establishment is detailed in note 5.2.

The committee has been required to account for the additional 9.4% pension uplift and the NHS Wales wage award. The impact of these being £0.478m and £0.471m respectively and both were funded by Welsh Government allocations.

Offsetting these increased costs, the committee is holding annualised establishment vacancies of approximately £0.7m

**Note 3.3 Losses, Special Payments and Irrecoverable Debts ( Pages 29 and 12 )**

It is very rare for the committee to make any special payments. As the committee is not a provider of healthcare, it does not bear any specific clinical governance risk and does not take part in the NHS Wales Risk Pool.

In 2024-25 there have been 2 types of special payments that required disclosure in the financial statements. These are summarised as

Provision, under terms of contract, of long service retirement vouchers	£399
Settlement of a staff employment dispute and exit package – Amount above initial 2023-2024 estimate	£1,492

**Note 4.0 Miscellaneous Income ( Page 30 )**

As stated earlier, key adjustments to funding in 2024/25 were as follows:

	£m's
Annual Plan Investment	69.300
Less: Non Recurring Funding Streams	-56.100
Less: Velindre Transfer of Non Specialist Cancer	-25.700
NHS England Tariff Price Uplift	10.200
Funding for Cystic Fibrosis drugs	46.900
NHS Wales Pay Award	16.900
Advanced Therapy Medicinal Products (ATMP)	6.500
Directed Funding for WAST	1.100
Transfer of Service Sexual Assault Referral Centres	0.800
Genomics Developments	5.600
Movement of Final Risk Sharing Outcome	13.100
Other funding movements	0.912

Members are directed to Note 17 Related Parties on Page 50, which provides further analysis of Risk Sharing contributions by Local Health Board.

Income from NHS trusts relates to funding received through the NHS Wales Executive for the 6 goals winter pressures, WAST discharge and transfer resources and NHS 111 commissioning. These are all WAST related funding streams.

### **Notes 5.1, 5.2 Staff Costs and Average Staff Numbers ( Page 31 )**

Expenditure on the staffing resource required to support the Joint Committee has increased by 3.05% on the 2023-24 position.

As mentioned earlier, the committee was required to account for the additional 9.4% pension uplift and the NHS Wales wage award. The impact of these being £0.478m and £0.471m respectively and both were funded by Welsh Government allocations.

The accounting transactions of the 9.4% pension uplift can be found in note 19.2 on page 53.

The whole time equivalent numbers of appointments to the committee's staffing establishment is detailed in note 5.2.

### **Note 6.1 Public Sector Payment Policy ( Pages 27 & 37 )**

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the Confederation of British Industry prompt payment code and Government Accounting rules. Welsh Government has set a target for every Health Board to pay 95% of the number of non NHS creditors within 30 days of receipt of a valid invoice at the correct site.

In 2024-25 this target was achieved for each of the required 4 metrics and achieved overall totals of 98.4% by number of invoices paid and 98.7% by value of invoices.

The underlying calculations for these statistics follow the agreed all Wales methodology, are based on payment data supplied and are validated centrally by NHS Wales Shared Services.

Please note the audit comment and associated correction in section 3 above.

### **Note 7 Trade and Other Receivables ( Page 38 )**

<b>NHS Wales Health Boards 20.04% decrease</b>	
Movement in debtors with LHBs for outstanding WG allocations not yet paid.	£10.8m
Movement in outstanding risk sharing balances	£5.6m

The movement in Debtors with NHS Wales Trusts relates to changes in the value of LTA contract performance adjustments with WAST and Velindre.

Regarding increases in Debtor balances with NHS England, as noted in the 2023-2024 accounts report to Audit & Risk Committee, the commissioning intention of the Joint Committee was to return all remaining post COVID-19 block and hybrid contracting arrangements to a full Cost & Volume basis. The result of this in the 2024-2025 accounts can be seen in the movement of NHS England Debtors with an increase in the number of under performing contracts resulting in debtor balances at year end.

The underlying line by line detail shows an increase in the number of NHS England providers in this position, although the actual financial value per provider is not significant and no one provider can be isolated as a cause of the movement.

The new Debtor of £0.89m with Local Authorities relates to income expected from South Wales and Gwent Police Forces for their contributions to the Sexual Assault Referral Centres.

The £0.1m Other Debtor relates to unpaid audit fees charged by the Mental Health Quality Team. This predominantly relates to 1 provider and at the time of reporting the value outstanding had already reduced by £0.047m. As a result, this is not yet considered an unrecoverable debt.

There were minimal balance movements on Other Prepayments and little of note to report.

## Note 9 Trade and Other Payables ( Page 41 )

<b>NHS Wales Health Boards 23.55% decrease</b>	
Movement on risk share under performance creditor	-£2.9m
C&V creditor for late WG allocation – Genetics	£1.4m
C&V creditor for Enzyme Replacement therapy outstanding recharges	£1.5m
Movement on SBU end of year LTA performance creditor – settlement paid before year end in 2024-2025	-£3.6m
Movement on BCU end of year LTA performance creditor – Cardiology	-£0.8m
Other creditor movements	-£0.2m

<b>NHS Wales Trusts 59.63% decrease</b>	
Movement on Velindre end of year LTA performance – no over performance creditor in 2024-2025	-£0.6m
Other creditor movements	£0.1m

<b>Non Welsh Bodies 50.23% increase</b>	

IPFR non contract creditors – Liverpool Heart & Chest – Cystic Fibrosis drugs	£0.5m
IPFR non contract creditors – Sheffield Children’s Trust and Sheffield Teaching Trust – Bone Marrow Transplants	£1.2m
IPFR non contract creditors - Newcastle – Bone Marrow Transplant	£0.7m
IPFR non contract creditors – Oxford – Genetics, Intestinal Transplant, Liver Cancer Radiotherapy (SIRT)	£0.9m
IPFR non contract creditors – NHS England Proton Beam	£1.1m
LTA contract performance – Birmingham Women’s & Children’s Trust - Long stay patient – Paediatric Intensive Care	£0.9m
LTA contract performance – The Christie - Bone Marrow Transplant	£0.6m
LTA contract performance – accruals for data omissions due to hospital data base changes in year – Royal Brompton & Harefield, St Helens & Knowsley Trust, Liverpool Women’s Trust	£0.9m
LTA contract performance movement - Liverpool Heart & Chest	£1.4m
LTA contract performance movement - The Walton Centre	£2.1m
LTA contract performance movement - Salford Royal ( Northern Care Alliance Trust)	£0.9m
LTA contract performance movement - Alder Hey	£0.5m
Other creditor movements	£0.3m

<b>Non NHS Providers ( creditors &amp; accruals ) *</b>	
Calea UK. Home Parenteral Nutrition contract. Impact of 24-25 contract price increase.	£0.4m
Cygnnet Ltd. Reduced accrual due to reduction in MH placements at Cygnnet Bury	-£0.3m
Elysium Ltd. Accrual for invoices outstanding for Ty Glyn Ebbw	£0.8m
New Pathways. Accrual for invoices outstanding for the Sexual Assault Referral Centres	£0.8m
Nuffield Health. Accrual for invoices outstanding for placements at Nuffield Brighton	£0.3m
Partnerships in Care Ltd. Reduced accrual due to reduced bed days in March 2025	-£0.2m
St Johns Ambulance. Reduced accrual due to reduction in use of virtual ward service.	-£0.3m
The Priory Group. Accrual for invoices outstanding for increased MH patient observations.	£0.5m
Other creditor movements	-£0.2m

- To note that non NHS creditors and accruals have been analysed as a total to remove the impact of timing differences on receipt of invoices.

The new creditor for Special Health Authorities relates to an outstanding invoice from Digital Health and Care Wales for access to the mental health patient data base known as CCAPS.

## **Note 8 Cash Balances ( Page 40 )**

Please refer to earlier commentary regarding the Statement of Cash Flow and associated notes.

Under recent changes to Welsh Government rules there is no longer a maximum cash tolerance level for Local Health Boards. Organisations are still expected to maintain operational cash balances at a minimum.

The cash balance held at 31<sup>st</sup> March 2025 is £27.9m.

## **Note 10 Provisions ( Page 43 )**

There is an ongoing remaining provision of £45,195 to settle back dated VAT claims with HM. Revenue & Customs. This is ongoing as the HMRC are still within the allowed review period and communication has been received which confirms their position.

## **Note 17 Related Party Transactions (Page 50)**

In the context of the Joint Committee, related parties are considered to be anyone who can influence the financial or planning agenda of the Joint Committee to the benefit of another related party or organisation. In this case, this would result in a Joint Committee member, through their commissioning role, being able to influence the provider Long Term Agreement for an organisation with which they have a related role, be that a contract of employment or a non executive position.

Further information has been supplied regarding the membership of the Joint Committee including details of the representation and voting rights of the members in attendance. Detailed analysis of the Declaration of Interest submissions of Joint Committee members has highlighted any associated organisations where the Joint Committee member may be perceived as having significant operational control and which have financial transactions with the Joint Committee. Details of the nature and value of these transactions have been included.

Please note the audit comments and associated corrections in section 3 above.

<b>Objectives / Strategy</b>	
<b>Dolen i Nod (au) Strategol CBC</b> <b>Link to JCC Strategic Goal(s)</b>	Choose an item.
	The JCC was established on 1 April 2024. As yet the JCC strategic goals have not yet been developed.
<b>Dolen i Feysydd Strategol CBC /</b> <b>Link to JCC Strategic Areas</b>	Not Applicable
	The JCC was established on 1 April 2024. As yet the JCC strategic areas have not yet been developed.
<b>Dolen i Ddeddf Llesiant Cenedlaethau'r Dyfodol – Nodau Llesiant /</b> <b>Link to Wellbeing of Future Generations Act – Wellbeing Goals</b> <a href="#">150623-guide-to-the-fg-act-en.pdf</a> <a href="#">(futuregenerations.wales)</a>	Not Applicable
	<p>If more than one applies please list below:</p> <p>This is a key element of the overall governance and assurance process for all financial matters</p>
<b>Dolen i Hwyluswyr Ansawdd</b> <i>(Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) /</i> <b>Link to Enablers of Quality</b> <a href="#">(Duty of Quality Statutory Guidance (gov.wales))</a>	Not Applicable
	If more than one applies please list below:
<b>Dolen i Feysydd Ansawdd</b> <i>(Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) /</i> <b>Link to Domains of Quality</b> <a href="#">(Duty of Quality Statutory Guidance (gov.wales))</a>	Effective
	If more than one applies please list below:
<b>Effaith Amgylcheddol/ Cynaliadwyedd (5R) / Environmental /Sustainability Impact (5Rs)</b>	No - Not Applicable
	If more than one applies please list below:

<b>Impact Assessment</b>		
<b>Ansawdd</b> <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Ansawdd? /</i> <b>Quality</b> <i>Have you undertaken a Quality Impact Assessment Screening?</i>	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
	Outcome:	If no, please include rationale below:  Equally applied. No potential negative impact
<b>Cydraddoldeb</b> <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Gydraddoldeb? /</i> <b>Equality</b> <i>Have you undertaken an Equality Impact Assessment Screening?</i>	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
	Outcome:	If no, please include rationale below:  Equally applied. No potential negative imoact
<b>Cyfreithiol / Legal</b>	There are no specific legal implications related to the activity outlined in this report.	
	Legal requirement to produce a set of financial statements for each financial year, to be consolidated by Cwm Taf into their published Statutory Annual Accounts.	
<b>Enw da / Reputational</b>	There is no direct impact on the reputation of the Joint Committee as a result of the activity outlined in this report.	
<b>Effaith Adnoddau</b> <i>(Pobl /Ariannol) /</i> <b>Resource Impact</b> <i>(People / Financial)</i>	There is no direct impact on resources as a result of the activity outlined in this report.	
	The financial statements highlight the resources received by the committee and the use of those resources for the financial year 2024-25 in accordance with WG requirements.	

## 5. RECOMMENDATIONS

Members of are asked to:-

**NOTE** the audited financial statements for the financial year ended 31<sup>st</sup> March 2025.

## NHS Wales Joint Commissioning Committee

### 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 Welsh Health Specialised Services Committee (WHSSC) was established on 1 April 2010, followed by the Emergency Ambulance Services Committee (EASC) on 1 April 2014. Both Committees were hosted by Cwm Taf Morgannwg University Health Board and were responsible for the joint planning and commissioning of specialised and tertiary services on behalf of the Local Health Boards (LHBs) in Wales.

As of 1 April 2024, the functions of WHSSC and EASC have been subsumed under a new body: the NHS Wales Joint Commissioning Committee (NWJCC). The establishment of the NWJCC follows the outcome of an independent review, commissioned by the Welsh Government, into national commissioning arrangements undertaken by WHSSC and EASC.

The NWJCC is responsible for commissioning the services previously overseen by WHSSC and EASC. In addition, it now holds responsibility for the commissioning of the NHS 111 Wales service.

The establishment of the NWJCC is enacted through Welsh Government legislation: Welsh Statutory Instruments 2024 No. 135 (W.29) – The National Health Service Joint Commissioning Committee (Wales) Regulations 2024 – and associated Directions (WG24-06). These legal instruments formally create the NWJCC, set out its structure, and revoke the earlier directions establishing WHSSC and EASC.

All assets and liabilities of WHSSC and EASC were formally transferred to the NWJCC on 1 April 2024.

#### Performance Management and Financial Results

In line with the National Health Service Joint Commissioning Committee (Wales) Directions 2024, issued under the National Health Service (Wales) Act 2006, each Local Health Board in Wales is required to participate in the Joint Committee. This committee is responsible for the joint exercise of delegated functions and for the commissioning of relevant services from 1 April 2024.

The National Health Service Joint Commissioning Committee (Wales) Regulations 2024 provide the statutory framework for the NWJCC, including its governance arrangements, constitution, procedures, and administrative operations.

The NWJCC does not hold statutory responsibility for a resource limit. Instead, it receives income from Local Health Boards to fund services, and its expenditure is accounted for against this income. The Committee must ensure compliance with the applicable elements of HM Treasury's Financial Reporting Manual (FReM). Accordingly, the primary statement of in-year financial performance is the Statement of Comprehensive Net Expenditure, which details the net operating cost of the NWJCC, funded entirely by contributions from the LHBs in Wales.

**Statement of Comprehensive Net Expenditure  
for the year ended 31 March 2025**

	Note	2024-25 £000	2023-24 £000
Expenditure on healthcare from other providers	3.1	1,186,092	1,097,366
Expenditure on Hospital and Community Health Services	3.2	<u>10,061</u>	<u>9,275</u>
		1,196,153	1,106,641
Less: Miscellaneous Income	4	<u>(1,196,153)</u>	<u>(1,106,641)</u>
<b>LHB net operating costs before interest and other gains and losses</b>		<u>0</u>	<u>0</u>
<b>Net operating costs for the financial year</b>		<u>0</u>	<u>0</u>

The notes on pages 8 to 55 form part of these accounts.

**Other Comprehensive Net Expenditure**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Net (gain) / loss on revaluation of property, plant and equipment	0	0
Net (gain)/loss on revaluation of right of use assets	0	0
Net (gain) / loss on revaluation of intangibles	0	0
(Gain) / loss on other reserves	0	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	0	0
Net (gain)/loss on revaluation of financial assets held for sale	0	0
Impairment and reversals	0	0
Transfers between reserves	0	0
Transfers to / (from) other bodies within the Resource Accounting Boundary	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0
Other comprehensive net expenditure for the year	<u>0</u>	<u>0</u>
<b>Total comprehensive net expenditure for the year</b>	<u><u>0</u></u>	<u><u>0</u></u>

The notes on pages 8 to 55 form part of these accounts.

**Statement of Financial Position as at 31 March 2025**

	31 March 2025	31 March 2024
Notes	£000	£000
<b>Non-current assets</b>		
Trade and other receivables	7      0	0
Other financial assets	8      0	0
<b>Total non-current assets</b>	<b>0</b>	<b>0</b>
<b>Current assets</b>		
Trade and other receivables	7      23,280	27,348
Cash and cash equivalents	8      27,871	15,020
<b>Total current assets</b>	<b>51,151</b>	<b>42,368</b>
<b>Total assets</b>	<b>51,151</b>	<b>42,368</b>
<b>Current liabilities</b>		
Trade and other payables	9      (62,948)	(54,165)
Provisions	10      (45)	(45)
<b>Total current liabilities</b>	<b>(62,993)</b>	<b>(54,210)</b>
<b>Net current assets/ (liabilities)</b>	<b>(11,842)</b>	<b>(11,842)</b>
<b>Non-current liabilities</b>		
Trade and other payables	9      0	0
Provisions	10      0	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>
<b>Total assets employed</b>	<b>(11,842)</b>	<b>(11,842)</b>
<b>Financed by :</b>		
<b>Taxpayers' equity</b>		
General Fund	(11,842)	(11,842)
Revaluation reserve	0	0
<b>Total taxpayers' equity</b>	<b>(11,842)</b>	<b>(11,842)</b>

The financial statements on pages 2 to 7 were approved by the Audit Committee on 25 June 2025 and signed on its behalf by:

Chief Commissioner of the NHS Wales Joint Commissioning Committee

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26 June 2025

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

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
<b>Changes in taxpayers' equity for 2024-25</b>			
Balance as at 31 March 2024	(11,842)	0	(11,842)
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
<b>Balance at 1 April 2024</b>	<b>(11,842)</b>	<b>0</b>	<b>(11,842)</b>
Net operating cost for the year	0	0	0
Net gain/(loss) on revaluation of property, plant and equipment	0	0	0
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 assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other Reserve Movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
<b>Total recognised income and expense for 2024-25</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Welsh Government funding	0	0	0
Notional Welsh Government Funding	0	0	0
<b>Balance at 31 March 2025</b>	<b>(11,842)</b>	<b>0</b>	<b>(11,842)</b>

The notes on pages 8 to 55 form part of these accounts.

**Statement of Changes in Taxpayers' Equity  
For the year ended 31 March 2024**

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
<b>Changes in taxpayers' equity for 2023-24</b>			
<b>Balance at 31 March 2023</b>	(11,842)	0	(11,842)
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
<b>Balance at 1 April 2023</b>	(11,842)	0	(11,842)
Net operating cost for the year	0	0	0
Net gain/(loss) on revaluation of property, plant and equipment	0	0	0
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 assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
<b>Total recognised income and expense for 2023-24</b>	0	0	0
Net Welsh Government funding	0	0	0
Notional Welsh Government Funding	0	0	0
<b>Balance at 31 March 2024</b>	(11,842)	0	(11,842)

The notes on pages 8 to 55 form part of these accounts.

**Statement of Cash Flows for year ended 31 March 2025**

		2024-25 £000	2023-24 £000
<b>Cash Flows from operating activities</b>	Notes		
Net operating cost for the financial year		0	0
Movements in Working Capital	14	12,851	(2,573)
Other cash flow adjustments	15	0	(280)
Provisions utilised	10	0	(35)
<b>Net cash outflow from operating activities</b>		<b>12,851</b>	<b>(2,888)</b>
<b>Cash Flows from investing activities</b>			
Purchase of property, plant and equipment		0	0
Proceeds from disposal of property, plant and equipment		0	0
Purchase of intangible assets		0	0
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
<b>Net cash inflow/(outflow) from investing activities</b>		<b>0</b>	<b>0</b>
<b>Net cash inflow/(outflow) before financing</b>		<b>12,851</b>	<b>(2,888)</b>
<b>Cash Flows from financing activities</b>			
Welsh Government funding (including capital)		0	0
Capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		0	0
Capital element of payments in respect of on-SoFP PFI		0	0
Capital element of payments in respect of Right of Use Assets		0	0
Cash transferred (to)/ from other NHS bodies		0	0
<b>Net financing</b>		<b>0</b>	<b>0</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>12,851</b>	<b>(2,888)</b>
<b>Cash and cash equivalents (and bank overdrafts) at 1 April 2024</b>		<b>15,020</b>	<b>17,908</b>
<b>Cash and cash equivalents (and bank overdrafts) at 31 March 2025</b>		<b>27,871</b>	<b>15,020</b>

The notes on pages 8 to 55 form part of these accounts.

## Notes to the Accounts

### 1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024-25 Manual for Accounts. The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

#### 1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

#### 1.3. Income and funding

The NHS Wales JCC does not hold any statutory responsibility for a resource limit. Services are funded by income from Local Health Boards and based on an agreed financial plan. The committee accounts for all expenditure on agreed services against the income received as part of its plan. All variances from plan are allocated to Health Boards on the basis of an agreed risk sharing framework and matched by income adjustments consistent with this framework. The net operating cost for the financial year is therefore zero.

Under the establishment agreements for the committee, the host body, Cwm Taf Morgannwg Local Health Board, is held harmless for all costs with the exception of their own share which reflects their population usage of specialised and ambulance services.

All allocations for services flow from the Welsh Government through the Local Health Boards. There are no direct allocations to the NHS Wales JCC. Income received from LHBs transacting with other NHS Wales bodies is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred. Only non-NHS income may be deferred.

Only non-NHS income may be deferred.

#### **1.4. Employee benefits**

##### **1.4.1. Short-term employee benefits**

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

##### **1.4.2. Retirement benefit costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales JCC commits itself to the retirement, regardless of the method of payment.

#### **No employees are members of the Local Government Superannuation Scheme**

### 1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS Wales JCC 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 JCC;
- 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 the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), have been measured at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by the LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

IFRS 16 will not be applied to any new leases of intangible assets, applying the treatment described in section 1.7 instead.

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16.

IFRS 16 is to be applied 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 that these arrangements meet the definition of a lease under the standard in all other respects has been assessed.

IFRS 16 is applied 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 The committee as lessee**

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The committee employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of [ ] been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the committee 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 committee.

#### **1.11.2 The committee 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 committee's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the committee's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the committee is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the committee 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 committee has a present legal or constructive obligation as a result of a past event, it is probable that the committee 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 committee 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 committee has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

#### 1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2024-25. The WRPS is hosted by Velindre University NHS Trust.

### **1.15. 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 committee becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

#### **1.16.1. Financial assets are initially recognised at fair value**

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### **1.16.2. Financial assets at fair value through SoCNE**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

### **1.16.3 Held to maturity investments**

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

### **1.16.4. Available for sale financial assets**

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

### **1.16.5. Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the committee assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### **1.17. Financial liabilities**

Financial liabilities are recognised on the SOFP when the 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 committee 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 committee 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 committee not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The committee accounts for all losses and special payments gross (including assistance from the WRP).

The committee accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

#### **1.22. Pooled budgets**

The NHS Wales Joint Commissioning Committee does not have any pooled budgets.

#### **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.

For the committee, the critical accounting judgements and estimates within these accounts are contained within the cross border tertiary and quaternary contractual agreements with NHS England organisations. This involves a financial evaluation of the uncertainties surrounding the end of year contract flow of funds. In doing so management is required to predict performance trends for a number of low volume but exceptionally high cost procedures and treatments.

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.





## 1.26 Private Finance Initiative (PFI) transactions

The committees **DO NOT HOLD ANY PFI ASSETS**. The following is to outline the principles that may be used in this situation.

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** - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

**IFRS 17 Insurance Contracts**, Application required for accounting periods beginning on or after 1 January 2023, Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

**IFRS 18 Presentation and Disclosure in Financial Statements** - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures** - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

### 1.30. Accounting standards issued that have been adopted early

During 2024-25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.



**2. Financial Duties Performance**

**2.1 Duty to prepare a 3 year integrated plan**

Each year, the Welsh Government issues planning guidance requiring NHS Wales organisations to develop integrated plans that align service delivery, workforce planning, and financial sustainability. In response, both the Emergency Ambulance Services Committee (EASC) and the Welsh Health Specialised Services Committee (WHSSC) historically developed Integrated Commissioning Plans to support the commissioning of emergency ambulance and specialised services on behalf of the seven Health Boards in Wales. These plans form a critical component of the Health Boards’ Integrated Medium Term Plans (IMTPs).

On 19 March 2024, the Joint Committees of WHSSC and EASC approved their respective 2024–2027 Integrated Commissioning Plans. Both plans were subsequently submitted to the Welsh Government and formally accepted via a confirmation letter dated 9 August 2024.

These meetings marked the final sessions of the separate WHSSC and EASC Joint Committees. In the same month, a combined Integrated Commissioning Plan was approved for the newly established NHS Wales Joint Commissioning Committee. This plan continues to align service, workforce, and financial planning and represents a single, cohesive approach to commissioning specialised and emergency ambulance services across Wales.

The Joint Commissioning Committee now assumes responsibility for commissioning on behalf of all seven Health Boards. On 18 March 2025, the Joint Commissioning Committee approved the 2025–2026 Foundation Plan. This plan has been submitted to the Welsh Government, with formal confirmation of acceptance pending at the time of reporting.

The Minister for Health and Social Services extant approval

**Status**  
**Date**

Not Approved  
Approval Still Awaited

**2.2 Creditor payment**

NWJCC 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). NWJCC has achieved the following results:

	<b>2024-25</b>	2023-24
Total number of non-NHS bills paid	<b>5,510</b>	5,469
Total number of non-NHS bills paid within target	<b>5,482</b>	5,417
Percentage of non-NHS bills paid within target	99.5%	99.0%

**NWJCC has met the target.**

### 3. Analysis of gross operating costs

<b>3.1 Expenditure on healthcare from other providers</b>	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Goods and services from other NHS Wales Health Boards	<b>619,308</b>	579,493
Goods and services from other NHS Wales Trusts	<b>313,704</b>	303,704
Goods and services from Welsh Special Health Authorities	<b>62</b>	166
Goods and services from other non Welsh NHS bodies	<b>210,832</b>	177,444
Local Authorities	<b>45</b>	0
Voluntary organisations	<b>3,504</b>	2,771
NHS Funded Nursing Care	<b>0</b>	0
Continuing Care	<b>0</b>	0
Private providers	<b>38,637</b>	33,788
Specific projects funded by the Welsh Government	<b>0</b>	0
Other	<b>0</b>	0
<b>Total</b>	<b>1,186,092</b>	1,097,366

**3.2 Expenditure on Hospital and Community Health Services**

	2024-25	2023-24
	£000	£000
Directors' costs	0	0
Operational Staff costs	8,518	8,266
Single lead employer Staff Trainee Cost	0	0
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	0	0
Supplies and services - general	150	0
Consultancy Services	357	136
Establishment	361	320
Transport	0	0
Premises	591	436
External Contractors	0	0
Depreciation	0	0
Depreciation Right of Use assets (RoU)	0	0
Amortisation	0	0
Fixed asset impairments and reversals (Property, plant & equipment)	0	0
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	59	59
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	2	35
Research and Development	0	0
Expense related to short-term leases	0	0
Expense related to low-value asset leases (excluding short-term leases)	0	0
Other operating expenses	23	23
<b>Total</b>	<b>10,061</b>	<b>9,275</b>

**3.3 Losses, special payments and irrecoverable debts: charges to operating expenses**

	2024-25	2023-24
	£000	£000
<b>Increase/(decrease) in provision for future payments:</b>		
Clinical negligence;		
Secondary care	0	0
Primary care	0	0
Redress Secondary Care	0	0
Redress Primary Care	0	0
Personal injury	0	0
All other losses and special payments	2	35
Defence legal fees and other administrative costs	0	0
Gross increase/(decrease) in provision for future payments	2	35
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	0	0
<b>Less: income received/due from Welsh Risk Pool</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>2</b>	<b>35</b>

	2024-25	2023-24
	£	£
Permanent injury included within personal injury £:	0	0

**4. Miscellaneous Income**

	2024-25 £000	2023-24 £000
Local Health Boards	1,194,256	1,104,534
NHS Wales trusts	678	267
Welsh Special Health Authorities	0	0
Foundation Trusts	0	0
Other NHS England bodies	0	0
Other NHS Bodies	0	0
Local authorities	1,036	0
Welsh Government	0	27
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	0	0
Dental fee income	0	0
Private patient income	0	0
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	0	0
Other income from activities	183	1,813
Patient transport services	0	0
Education, training and research	0	0
Charitable and other contributions to expenditure	0	0
Receipt of NWSPP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	0	0
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	0	0
NHS Wales Shared Services Partnership (NWSPP)	0	0
Deferred income released to revenue	0	0
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	0	0
Other income:		
Provision of laundry, pathology, payroll services	0	0
Accommodation and catering charges	0	0
Mortuary fees	0	0
Staff payments for use of cars	0	0
Business Unit	0	0
Scheme Pays Reimbursement Notional	0	0
Other	0	0
<b>Total</b>	<b>1,196,153</b>	<b>1,106,641</b>
<b>Other income Includes;</b>		
	0	0
	0	0
	0	0
	0	0
	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

Injury Cost Recovery (ICR) Scheme income	2024-25 %	2023-24 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.45	0.00

**5. Employee benefits and staff numbers**

5.1 Employee costs	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	5,955	528	0	0	0	0	6,483	6,482
Social security costs	659	69	0	0	0	0	728	715
Employer contributions to NHS Pension Scheme	1,227	80	0	0	0	0	1,307	1,069
Other pension costs	0	0	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7,841</b>	<b>677</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,518</b>	<b>8,266</b>

Charged to capital	0	0
Charged to revenue	8,518	8,266
	<b>8,518</b>	<b>8,266</b>

Net movement in accrued employee benefits (untaken staff leave)

0 0

**5.2 Average number of employees**

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	81	7	0	0	0	0	87	95
Medical and dental	2	2	0	0	0	0	4	4
Nursing, midwifery registered	10	1	0	0	0	0	10	8
Professional, Scientific, and technical staff	4	0	0	0	0	0	4	4
Additional Clinical Services	0	0	0	0	0	0	0	0
Allied Health Professions	0	0	0	0	0	0	0	0
Healthcare Scientists	0	0	0	0	0	0	0	0
Estates and Ancillary	0	0	0	0	0	0	0	0
Students	0	0	0	0	0	0	0	0
<b>Total</b>	<b>97</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>106</b>	<b>110</b>

**5.3. Retirements due to ill-health**

	2024-25	2023-24
Number	0	0
Estimated additional pension costs £	0	0

There have been no retirements due to ill health in 2024-2025

**5.4 Employee benefits**

The NHS Wales Joint Commissioning Committee does not have an employee benefit scheme.

5.5 Reporting of other compensation schemes - exit packages continued

5.5.1 Exit Packages Costs and Numbers

	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	1
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	35
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35</b>

<b>Total Exit Costs Paid in Year</b>	<b>Total paid in year</b>	<b>Total paid in year</b>
	<b>2024-25</b>	<b>2023-24</b>
	£	£
Exit costs paid in year	35	0
<b>Total</b>	<b>35</b>	<b>0</b>

1 exit package was approved in 2023-2024 but was not signed or transacted until April 2024.

5.5 Reporting of other compensation schemes - exit packages continued

5.5.2 Analysis of other departures

Type of other departures	2024-25 Agreements Number	2024-25 Total value of agreements £
Voluntary redundancies including early retirement contractual costs	0	0
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
Other please specify	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

5.6 Fair Pay disclosures

5.6.1 Remuneration Relationship

The JCC is not a statutory body and holds no statutory responsibility. The directors of the JCC are directors in name only and are not directors of any statutory body.

The statutory reporting body is the host organisation, Cwm Taf Morgannwg Health Board. The directors of the JCC are not recognised as directors within the organisational structure of Cwm Taf Morgannwg Health Board.

	2024-25 £000 Chief	2024-25 £000 Employee	2024-25 £000 Ratio	2023-24 £000 Chief	2023-24 £000 Employee	2023-24 £000 Ratio
<b>Total pay and benefits</b>	<b>Executive</b>	<b>Employee</b>	<b>Ratio</b>	<b>Executive</b>	<b>Employee</b>	<b>Ratio</b>
25th percentile pay ratio	0	0	X/Y25:1	0	0	X/Y25:1
Median pay	0	0	X/Y50:1	0	0	X/Y50:1
75th percentile pay ratio	0	0	X/Y75:1	0	0	X/Y75:1
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	0	0		0	0	
Median pay	0	0		0	0	
75th percentile pay ratio	0	0		0	0	
	<b>Highest Paid Director</b>	<b>Employee</b>	<b>Ratio</b>	<b>Highest Paid Director</b>	<b>Employee</b>	<b>Ratio</b>
<b>Total pay and benefits</b>						
25th percentile pay ratio	0	0	X/Y25:1	0	0	X/Y25:1
Median pay	0	0	X/Y50:1	0	0	X/Y50:1
75th percentile pay ratio	0	0	X/Y75:1	0	0	X/Y75:1
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	0	0		0	0	
Median pay	0	0		0	0	
75th percentile pay ratio	0	0		0	0	

5.6.2 Percentage Changes

	2023-24 to 2024-25 %	2022-23 to 2023-24 %
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	0	0
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	0	0
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	0	0
Performance pay and bonuses	0	0

## 5.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

### a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

**c) National Employment Savings Trust (NEST)**

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

## 6. Public Sector Payment Policy - Measure of Compliance

### 6.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2024-25	2024-25	2023-24	2023-24
	Number	£000	Number	£000
<b>NHS</b>				
Total bills paid	2,305	1,158,687	2,011	1,061,321
Total bills paid within target	2,208	1,144,148	1,948	1,054,668
Percentage of bills paid within target	95.8%	98.7%	96.9%	99.4%
<b>Non-NHS</b>				
Total bills paid	5,510	41,541	5,469	38,333
Total bills paid within target	5,482	40,679	5,417	37,755
Percentage of bills paid within target	99.5%	97.9%	99.0%	98.5%
<b>Total</b>				
Total bills paid	7,815	1,200,228	7,480	1,099,654
Total bills paid within target	7,690	1,184,827	7,365	1,092,423
Percentage of bills paid within target	98.4%	98.7%	98.5%	99.3%

Data Source: provided by and compliance validated by NHS Wales Shared Services Partnership

### 6.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2024-25	2023-24
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**7. Trade and other Receivables**

<b>Current</b>	<b>31 March 2025 £000</b>	31 March 2024 £000
Welsh Government	0	0
Welsh Health Boards	20,533	25,678
Welsh NHS Trusts	553	745
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	1,113	754
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
<b>Welsh Risk Pool Claim reimbursement</b>		
NHS Wales Secondary Health Sector	0	0
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	890	0
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	105	10
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	86	161
Other accrued income	0	0
<b>Sub total</b>	<b>23,280</b>	<b>27,348</b>
<b>Non-current</b>		
Welsh Government	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
<b>Welsh Risk Pool Claim reimbursement;</b>		
NHS Wales Secondary Health Sector	0	0
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Capital receivables - Tangible	0	0
Capital receivables - Intangible	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	0	0
<b>Sub total</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>23,280</b>	<b>27,348</b>

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £0.091m. (£0.010m in 2023-24). The increase in 2024 -2025 relates to unpaid invoices for quality audit visits to certain independent sector mental health medium secure providers.

## 7.1 Trade and other Receivables (continued)

### Receivables past their due date but not impaired

	31 March 2025 £000	31 March 2024 £000
By up to three months	0	0
By three to six months	85	4
By more than six months	6	6
	<u>91</u>	<u>10</u>

### Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	0	0
Transfer to other NHS Wales body	0	0
Amount written off during the year	0	0
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	0	0
Bad debts recovered during year	0	0
Balance at 31 March	<u>0</u>	<u>0</u>

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 credit agencies.

### Receivables VAT

Trade receivables	0	0
Other	0	0
Total	<u>0</u>	<u>0</u>

## 8. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Balance at 1 April	15,020	17,908
Net change in cash and cash equivalent balances	12,851	(2,888)
Balance at 31 March	<u>27,871</u>	<u>15,020</u>
Made up of:		
Cash held at GBS	27,871	15,020
Commercial banks	0	0
Cash in hand	0	0
<b>Cash and cash equivalents as in Statement of Financial Position</b>	<u>27,871</u>	<u>15,020</u>
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
<b>Cash and cash equivalents as in Statement of Cash Flows</b>	<u>27,871</u>	<u>15,020</u>

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) £NIL  
 Lease Liabilities (short-term and low value leases) a reduction in liability of £0.195m  
 PFI liabilities: £NIL

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

**9. Trade and other payables**

Current	31 March	31 March
	2025	2024
	£000	£000
Welsh Government	0	0
Welsh Health Boards	14,979	19,593
Welsh NHS Trusts	369	914
Welsh Special Health Authorities	78	0
Other NHS	36,092	24,025
Taxation and social security payable / refunds	83	82
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	76	84
Non-NHS payables - Revenue	4,895	4,954
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	0	0
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	6,374	4,511
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	2	2
<b>Sub Total</b>	<b>62,948</b>	<b>54,165</b>
<b>Non-current</b>		
Welsh Government	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	0	0
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
<b>Sub Total</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>62,948</b>	<b>54,165</b>

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

**9.2. Trade and other payables (continued).**

Amounts falling due more than one year are expected to be settled as follows:

	<b>31 March</b>	31 March
	<b>2025</b>	2024
	<b>£000</b>	£000
Between one and two years	<b>0</b>	0
Between two and five years	<b>0</b>	0
In five years or more	<b>0</b>	0
Sub-total	<b>0</b>	0

10. Provisions

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>									
Clinical negligence-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0	0	0
Pensions relating to former directors	0	0	0	0	0	0	0	0	0
Pensions relating to other staff	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0
Restructuring	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0
Other	45	0	0	0	0	0	0	0	45
<b>Total</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>

**Non Current**

Clinical negligence-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0	0	0
Pensions relating to former directors	0	0	0	0	0	0	0	0	0
Pensions relating to other staff	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0
Restructuring	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TOTAL**

Clinical negligence-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0	0	0
Pensions relating to former directors	0	0	0	0	0	0	0	0	0
Pensions relating to other staff	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0
Restructuring	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0
Other	45	0	0	0	0	0	0	0	45
<b>Total</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>

**Expected timing of cash flows:**

	In year to 31 March 2026	Between 1 April 2026 and 31 March 2030	Thereafter	Total
				£000
Clinical negligence-				
Secondary care	0	0	0	0
Primary care	0	0	0	0
Redress Secondary care	0	0	0	0
Redress Primary care	0	0	0	0
Personal injury	0	0	0	0
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	0	0	0	0
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	45	0	0	45
<b>Total</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>45</b>

## 11. Contingencies

### 11.1 Contingent liabilities

	2024-25 £'000	2023-24 £'000
Provisions have not been made in these accounts for the following amounts :		
Legal claims for alleged medical or employer negligence:-		
Secondary care	0	0
Primary care	0	0
Redress Secondary care	0	0
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	0	0
Continuing Health Care costs	0	0
Other	0	25
Total value of disputed claims	<u>0</u>	<u>25</u>
Amounts (recovered) in the event of claims being successful	0	0
<b>Net contingent liability</b>	<u><b>0</b></u>	<u><b>25</b></u>

10.1 Provisions (continued)

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>									
Clinical negligence:-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	35	(35)	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	360		0	0	0	0	(315)		45
<b>Total</b>	<b>360</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>(35)</b>	<b>(315)</b>	<b>0</b>	<b>45</b>
<b>Non Current</b>									
Clinical negligence:-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>									
Clinical negligence:-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	35	(35)	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	360		0	0	0	0	(315)		45
<b>Total</b>	<b>360</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>(35)</b>	<b>(315)</b>	<b>0</b>	<b>45</b>



### **13. Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The committee 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 committee 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 Committee in undertaking its activities.

#### **Currency risk**

The committee is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. It does not have any overseas operations and therefore has low exposure to currency rate fluctuations.

#### **Interest rate risk**

The committee is not permitted to borrow and therefore has low exposure to interest rate fluctuations.

#### **Credit risk**

As the majority of its funding derives from funds voted by the Welsh Government the Committee has low exposure to credit risk.

#### **Liquidity risk**

The committee is required to operate within cash limits set through the approved financial plan for the year. The committee is not, therefore, exposed to significant liquidity risks.

**14. Movements in working capital**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
(Increase)/decrease in inventories	0	0
(Increase)/decrease in trade and other receivables - non-current	0	0
(Increase)/decrease in trade and other receivables - current	<b>4,068</b>	<b>(5,314)</b>
Increase/(decrease) in trade and other payables - non-current	0	0
Increase/(decrease) in trade and other payables - current	<b>8,783</b>	2,741
<b>Total</b>	<b>12,851</b>	<b>(2,573)</b>
Adjustment for accrual movements in fixed assets - creditors	0	0
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	0	0
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	0	0
	<b>12,851</b>	<b>(2,573)</b>

**15. Other cash flow adjustments**

	<b>2024-25</b>	2023-24
	<b>£000</b>	£000
Impairments and reversals	0	0
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	0	0
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	0	0
Non-cash movements in provisions	0	<b>(280)</b>
Other movements	0	0
<b>Total</b>	<b>0</b>	<b>(280)</b>

## 16. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 26 June 2025.

## 17. Related Party Transactions

### NHS Wales Joint Commissioning Committee

The NHS Wales Joint Commissioning Committee operates as a formal sub-committee of each of the seven Local Health Boards in Wales.

Consequently, any related party transactions with the Joint Committee are reported within the statutory accounts of the respective LHBs.

Although the NWJCC has a dedicated executive team, its members are not executive directors.

All executive staff are employed by Cwm Taf Morgannwg University Health Board, the designated host organisation.

During 2024/2025, the NWJCC adopted a risk-sharing financial model. This model governs all financial transactions and is supported by the Committee's Standing Order which require:

- Agreement on the total budget necessary to plan and secure the delegated services.
- Agreement on the financial contributions from each LHB to fund those services.

Each Local Health Board is required to provide the level of funding set out in the NWJCC's approved annual plan.

Contributions from the LHBs for 2024/2025 are disclosed in Note 4 of the financial statements.

Expenditure incurred by the NWJCC in securing tertiary and specialist services is set out in Note 3.1.

Administrative, staffing, and other operational expenditure incurred with NHS Wales organisations is included in Note 3.2.

However, this does not represent the full extent of running costs, which also include transactions with non-NHS bodies and staffing costs not attributed to NHS Wales.

The Welsh Ambulance Services NHS Trust is included in the reporting as an observer only and does not hold voting rights.

	Income ( Note 4 ) £000's	Expenditure ( Note 3.1 ) £000's	Running costs ( Note 3.2 ) £000's	Debtor ( Note 7 ) £000's	Creditor ( Note 9 ) £000's
Cardiff and Vale UHB	187,238	383,130	216	2,538	11,391
Aneurin Bevan UHB	218,364	14,685	88	3,785	478
Betsi Cadwalladr UHB	273,120	54,340	3	6,384	1,891
Swansea Bay UHB	147,060	151,138	31	1,593	796
Cwm Taf Morgannwg UHB	167,081	12,563	631	2,947	183
Hywel Dda UHB	142,225	3,372	99	2,505	108
Powys Teaching HB	59,168	80		781	132
Public Health Wales NHS Trust	678	46	122	95	56
Velindre NHS Trust		38,217	31	139	265
Welsh Ambulance Services NHS Trust		275,441		319	48
	<b>1,194,934</b>	<b>933,012</b>	<b>1,221</b>	<b>21,086</b>	<b>15,348</b>

In addition to the 7 LHB Chief Executives being appointed members of the Committee, two other interests in related parties have been declared as follows:

Name	Details	Interests
Suzanne Rankin	Committee Member - Cardiff University, Lay Member of University Council Chief Executive Cardiff and Vale UHB	
Ian Green	Chair JCC	Chair, Salisbury NHS Foundation Trust

All other declarations made by Committee members and the Committee's Senior Leadership Team did not constitute Related Parties

Total value of transactions with these two related parties:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Cardiff University	3,977	0	649	0
Salisbury NHS Foundation Trust	27	0	15	0
	<u>4,004</u>	<u>0</u>	<u>664</u>	<u>0</u>

## 18. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity:

On the merger of the EASC, NCCU and WHSSC, and subsequent reorganisation, the NHS Wales Joint Committee is now one single operating and reporting entity.

The Committee must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable. As a result the Primary Statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure. This shows the net operating cost incurred by the Committee which is funded by Local Health Boards in Wales.

All variances from plan are allocated to Health Boards on the basis of an agreed risk sharing framework and matched by income adjustments consistent with this framework. The net operating cost for the financial year is therefore zero.

Under the establishment agreements for the committee, the host body, Cwm Taf Morgannwg Local Health Board, is held harmless for all costs with the exception of their own share which reflects their population usage of specialised and ambulance services.

The NHSWJCC figures disclosed in the CTM segmental reporting have been extracted from this NHSWJCC

## 19. Other Information

### 19.1 Additional information to Support the NHSWJCC Memorandum Accounts

This information disclosed in 19.1 does not form part of the NHSWJCC Memorandum Accounts Statements and Notes, it is provided to aid understanding only.

The National Health Service Joint Commissioning Committee (Wales) was created under Welsh Government Directive, Welsh Statutory Instruments 2024 No 135 (W.29) National Health Service Wales. The National Health Service Joint Commissioning Committee ( Wales ) Regulations 2024, Welsh Subordinate Legislation WG24-06 National Health Service Wales. These Regulations make provision for the constitution and membership of the NHS Wales Joint Commissioning Committee (NHSWJCC) including its procedures, membership and administrative arrangements.

NHSWJCC has no responsibility to produce statutory accounts. The statutory accounts reporting body is the host organisation, Cwm Taf Morgannwg Health Board. The directors of the Joint Committee are not recognised as directors within the organisational structure of Cwm Taf Morgannwg Health Board.

NHSWJCC does not receive a Capital Resource Limit therefore, does not hold any tangible, intangible or leased assets. Any necessary equipment purchases or lease contracts are made through Cwm Taf UHB as the host organisation, and are capitalised, managed and held on its asset register on behalf of the Joint Committee. As a result the Host LHB undertakes, on behalf of the committee, the responsibility for compliance with the requirements of IFRS 16.

#### LHB as lessee arrangements relating to NHSWJCC

As at 31st March 2025 the Joint Committee had the following lease agreements in place;

Unit G1, The Willowford, 10 years from 10th June 2019  
Unit 1, Charnwood Court, 10 years from 23rd March 2017

The lease on Unit G1, The Willowford reached its 5 year break date on 10th June 2024. From that date the lease continues for a further 5 years to the agreed end date. From 10th June 2024 in agreement with the landlord, and in line with the original lease document, the lease payments will increase to an annual value of £126,000 per financial year. The IFRS 16 compliance for these leases is undertaken by the host LHB on behalf of the Committee. This schedule is for information and to aid understanding only.

	2024-25	2024-25	2024-25	2023-24
	Low Value & Short Term	Other	Total	Total
	£000	£000	£000	£000
<b>Payments recognised as an expense</b>				
Minimum lease payments	0	199	199	176
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
<b>Total</b>	<b>0</b>	<b>199</b>	<b>199</b>	<b>176</b>
<b>Total future minimum lease payments</b>				
<b>Payable</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Not later than one year	0	201	201	195
Between one and five years	0	480	480	654
After 5 years	0	0	0	27
<b>Total</b>	<b>0</b>	<b>681</b>	<b>681</b>	<b>876</b>

## 19. Other Information

### 19.2. 9.4% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1st April 2024 to 31st March 2025. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2024 and February 2025 alongside Health Board data for March 2025.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2024-25 £000	2023-24 £000
<b>Statement of Comprehensive Net Expenditure for the year ended 31 March 2025</b>		
Expenditure on Hospital and Community Health Services	478	317
<b>4. Miscellaneous Income</b>		
Local Health Boards	478	317
Reflecting the transfer of the resource allocation from the host orga	0	0
<b>3. Analysis of gross operating costs</b>		
<b>3.3 Expenditure on Hospital and Community Health Services</b>		
Staff costs	478	317
<b>9.1 Employee costs</b>		
<b>Permanent Staff</b>		
Employer contributions to NHS Pension Scheme	478	317
Charged to revenue	478	317

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

## Other

### 19.3 IFRS 17 - Insurance Contract Disclosures

The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

#### STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	0
	<hr/> 0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	0
	<hr/> 0

#### STATEMENT OF COMPREHENSIVE NET EXPENDITURE / STATEMENT OF COMPREHENSIVE INCOME \*Delete as appropriate

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

**THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY**

**LOCAL HEALTH BOARDS**

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)<sup>1</sup>, 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.



**DECLARATION OF COMPLIANCE WITH CWM TAF MORGANNWG  
UNIVERSITY HEALTH BOARD GOVERNANCE ARRANGEMENTS FROM  
THE DIRECTOR OF THE NATIONAL IMAGING ACADEMY TO THE  
ACCOUNTABLE OFFICER FOR CWM TAF MORGANNWG UNIVERSITY  
HEALTH BOARD**

**NATIONAL IMAGING ACADEMY**

As the Director of the National Imaging Academy, to which the Health Board is providing host services, I confirm for the period 2024-2025 that I, **Phillip Wardle**

- a) Acted at all times within the corporate governance framework of the Health Board;
- b) Ensured that proper financial procedures have been followed and that accounting records were maintained in a form suited to the requirements of management as well as in the form prescribed for published accounts;
- c) Ensured that the public funds for which I am responsible were properly and well managed and safeguarded, with independent and effective checks of cash balances in the hands of any official;
- d) Ensured that assets for which I am responsible such as land, buildings or other property, including stores and equipment, were controlled and safeguarded with similar care, and with checks as appropriate;
- e) Ensured that my responsibility for the overall organisation, management and staffing of the National Imaging Academy and its arrangements related to developing and delivering ICT services as well as matters of finance, together with any other aspect relevant to the conduct of the National Imaging Academy business in pursuance of the strategic direction set by Welsh Government (WG) were discharged accordingly;
- f) Ensured that all items of expenditure, including payments to staff, fell within the legal powers of the Health Board;
- g) Acted within the scheme of delegations and ensured that I complied with guidance on classes of payment that I should authorise personally;
- h) Ensured that in delegating functions to officers I was satisfied of their ongoing capacity and capability to deliver on those functions, facilitating access to the information they needed, ongoing training and development, as well as professional or specialist advice where appropriate;
- i) Ensured prudent and economical administration, for the avoidance of waste and extravagance, and for the efficient and effective use of all resources;



- j) Ensured that risks to the achievement of the National Imaging Academy Objectives and fulfilment of its responsibilities were identified, that their significance was assessed, and that a sound system of internal control was in place to manage them;
- k) Implemented an appropriate framework of assurance covering all aspects of National Imaging Academy business, ensured that research and evaluation work was planned so that strategic objectives and spending programmes for which I have responsibility were routinely evaluated to assess their effectiveness and value for money;
- l) Ensured that, in the consideration of policy proposals relating to the expenditure or income for which I have responsibility, all relevant financial considerations, including any issues of propriety, regularity or value for money, were taken into account, and where necessary brought to your attention, as Accountable Officer for Cwm Taf Morgannwg University Health Board;
- m) Agreed to attend any Board or sub-committee meeting of the Health Board in relation to National Imaging Academy performance or governance issues that may affect the operational, financial or reputational performance of the Health Board; and
- n) Agreed to such reporting structure as was reasonably required by you or the Board in relation to the delivery of your obligations.
- o) Ensured that there were appropriate procedures established for Information Governance to ensure that all data/information was managed in accordance with all relevant legislation (i.e. General Data Protection Regulations, Data Protection Act 1998, Freedom of Information Act 2000, and Access to Health Records 1990), NHS standards and guidance's issued by the Welsh Government, the Information Commissioner's Office and other professional bodies.
- p) Escalated any incidents and/or risks that may impact the delivery of our service to the appropriate Health Board Committee / Executive Lead.

In relation to my responsibilities outlined above, I can confirm;

- i. I have discharged my responsibilities as laid down in this Statement and confirm that the financial information contained within the Health Boards accounts as they relate to the National Imaging Academy represent a true and fair view of its position on an ongoing basis;
  - That all losses and special payments cases have been properly managed in accordance to the instructions and procedures set out in the 'Losses and Special Payments Manual of Guidance' and also, in respect of handling clinical negligence and personal injury claims, the guidance issued under cover of Welsh Health Circulars WHC(97)7, Section 8 PTR Guidance –




Clinical Negligence and Personal Injury Litigation: Claims Handling : Putting Things Right – Guidance on dealing with concerns about the NHS from 1<sup>st</sup> April 2012 (Version 2 – April 2012) which supersedes WHC(97)17 – Clinical Negligence and Personal Injury Litigation: Structured Settlements.

- The Civil Procedure Rules 1998
  - WHC(98)8 -NHS Indemnity – Arrangements for Handling Clinical Negligence Claims against NHS Staff
  - WHC(99)128 – Handling Clinical Negligence Claims: Pre-Action Protocol
- ii. This responsibility also includes ensuring that counter fraud measures were put in place and operated in accordance with Welsh Government Directions on countering fraud in the NHS in Wales;
  - iii. Compliance with The Health and Social Care (Quality and Engagement) (Wales) Act 2020, with due regard to the guidance and quality standards as appropriate.
  - iv. That the National Imaging Academy duty for internal control was fully embodied throughout the organisation that the Board Committees of the Health Board were provided with regular reports on such matters and that appropriate action was taken on any issues that emerge from these reports;
  - v. That appropriate action has been taken regarding recommendations made in any reports produced by the Public Accounts Committees of the Welsh Government (the PAC) and of the Westminster Parliament; or made in reports to WG or the National Assembly for Wales by the Auditor General for Wales or in reports to Parliament by the Comptroller and Auditor General;
  - vi. I have provided information as requested by the Auditor General for Wales and Audit Wales. I have co-operated with external auditors in any enquiries into the use the National Imaging Academy Service has made of public funds. I have provided, on your request, information on any points raised by external auditors which generate public, Welsh Government or Parliamentary interest. Future arrangements for internal audit will comply with those described in the NHS Internal Audit Standards for NHS Wales. I will ensure prompt action is taken in response to concerns raised by both external and internal audit;
  - vii. I have provided any information requested by the Healthcare Inspectorate Wales, the Care and Social Services Inspectorate Wales, the Care Quality Commission and any other statutory inspectorate agency such as the Health and Safety Executive; and ensured appropriate action was taken regarding recommendations made in any reports produced by these organisations;




- viii. As appropriate, I identified a senior official who, in any temporary period of unavailability due to illness or other cause, or during normal periods of annual leave, could act on my behalf if required;
- ix. The National Imaging Academy has in place effective management systems that safeguard public funds and are appropriate for the achievement of the Health Board’s Governance objectives and as laid down in the Code of Conduct and Accountability. Managers at all levels;
  - a. Had a clear view of their objectives and the means to assess and, wherever possible, measure outputs or performance in relation to those objectives;
  - b. were assigned well-defined responsibilities for making the best use of resources;
  - c. received the information, training and access to the expert advice they need to exercise their responsibilities effectively.
- x. Management systems were in place, which covered the issue of relationships and responsibilities of the Health Board Committees; and
- xi. I complied with The Code of Conduct and Accountability issued to NHS Boards by Welsh Government in exercising my responsibilities for regularity, propriety and value for money.

**For the period 1<sup>st</sup> April 2024 to the 31<sup>st</sup> March 2025**

<b>Signature:</b>  Director of the National Imaging Academy Wales	<b>Date:</b> 07/04/2025
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**Looking forward - for the period 1<sup>st</sup> April 2025 – 31<sup>st</sup> March 2026**

I confirm that I am aware of my ongoing responsibilities and accountability to you, to ensure compliance in all areas as outlined in the above statements continues to be discharged for the financial year 2025-2026.

<b>Signature:</b>  Director of the National Imaging Academy Wales	<b>Date:</b> 07/04/2025
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# Head of Internal Audit Opinion & Annual Report 2024/25

Cwm Taf Morgannwg University Health Board



Reasonable Assurance

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**Author:** Paul Dalton  
**Audit Committee:** June 2025



# 1. Executive Summary


## 1.1 Purpose of this Report

The Board of Cwm Taf Morgannwg University Health Board (the 'Health Board' or the 'organisation') is accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is also responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. A key element in that flow of assurance is the overall assurance opinion from the Head of Internal Audit.

This report sets out the Head of Internal Audit Opinion together with the summarised results of the internal audit work performed during the year. The report also includes a summary of audit performance and an assessment of conformance with the Public Sector Internal Audit Standards (PSIAS).

## 1.2 Head of Internal Audit Opinion 2024/25

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved Internal Audit plan is focused on risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement. The overall opinion for 2024/25 is:

<b>Reasonable assurance</b>		The Board can take <b>Reasonable Assurance</b> 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.
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## 1.3 Delivery of the Audit Plan

The plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit, Risk and Assurance Committee (the 'Audit Committee'). In addition, regular audit progress reports have been submitted to the Audit Committee. Although changes have been made to the plan during the year, we can confirm that we have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for 2024/25, was presented to the Audit Committee in April 2024. Changes to the plan have been made during the year and these changes have been reported to the Audit Committee as part of our regular progress reporting.

There are, as in previous years, audits undertaken at NWSSP, DHCW, and the new NHS Wales Joint Commissioning Committee (JCC) that support the overall opinion for NHS Wales health bodies (see section 3).

Our latest External Quality Assessment (EQA), conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023, reported in April 2023, stated we 'Fully Conform', and our own annual Quality Assurance and Improvement Programme (QAIP) confirmed that our internal audit work continues to 'generally conform' to the requirements of the Public Sector Internal Audit Standards for 2024/25. We can state that our service 'conforms to the IIA's professional standards and to PSIAS.'

### 1.4 Summary of Audit Assignments

This report summarises the outcomes from our work undertaken in the year. In some cases, audit work from previous years may also be included and where this is the case, details are given. This report also references assurances received through the internal audit of control systems operated by other NHS Wales organisations (again, see section 3).

The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Overall, we can provide the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the substantial and reasonable areas in the table below.

Where we have given Limited Assurance, management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where it is appropriate to do so.

A summary of the audits undertaken in the year and the results are summarised in table 1 below.

**Table 1 – Summary of Audits 2024/25**

Substantial Assurance	<ul style="list-style-type: none"> <li>• Service user experience</li> <li>• Follow up – Facilities governance arrangements</li> <li>• Prince Charles Hospital (PCH) management actions follow up</li> <li>• Financial systems</li> </ul>
Reasonable Assurance	<ul style="list-style-type: none"> <li>• New care group model</li> <li>• Cancer tracking process</li> <li>• Intelligence led organisation</li> </ul>

	<ul style="list-style-type: none"> <li>• Duty of Candour</li> <li>• E-whiteboards</li> <li>• New PDR process</li> <li>• Energy management</li> <li>• Charitable funds</li> <li>• Regional Integration Fund</li> <li>• Follow up – Performance management – 4 hour target</li> <li>• Follow up – Financial savings</li> <li>• Follow up – SLA arrangements</li> <li>• Embedding the quality framework</li> <li>• PCH – Supply chain partner management</li> <li>• PCH – Delivery of project objectives</li> <li>• PCH – Financial and technical compliance [Draft]</li> <li>• Access to diagnostics [Draft]</li> <li>• Welsh Risk Pool [Draft]</li> <li>• Audit recommendations tracker</li> </ul>
Limited Assurance	<ul style="list-style-type: none"> <li>• End of life care management</li> <li>• Digital benefits realisation</li> <li>• Additional medical pay</li> <li>• Medical job planning</li> <li>• Capital systems</li> <li>• Vaccination policy implementation</li> </ul>
Unsatisfactory	None
Advisory/Non-Opinion	Progress update – Gastro-intestinal pathways

Please note that our overall opinion has also considered both the number and significance of any audits that have been deferred during the year (see section 5.7) and other information obtained during the year that we deem to be relevant to our work.

## **2. Head of Internal Audit Opinion**

### **2.1 Roles and Responsibilities**

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is a statement made by the Accountable Officer, on behalf of the Board, setting out:

- how the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- the purpose of the system of internal control, as evidenced by a description of the risk management and review processes, including compliance with the Health & Care Quality Standards; and
- the conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures, together with assurances that actions are or will be taken where appropriate to address issues arising.

The Health Board's risk management process and system of assurance should bring together all the evidence required to support the Annual Governance Statement.

In accordance with the PSIAS, the Head of Internal Audit (HIA) is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This is achieved through an audit plan that has been focussed on key strategic and operational risk areas and known improvement opportunities, agreed with executive management and approved by the Audit Committee, which should provide an appropriate level of assurance.

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based audit work formulated around a selection of key organisational systems and risks. As such, it is a key component that the Board considers but is not intended to provide a comprehensive view.

The Board, through the Audit Committee, will need to consider the Head of Internal Audit opinion together with assurances from other sources including reports issued by other review bodies, assurances given by management and other relevant information when forming a rounded picture on governance, risk management and control for completing its Governance Statement.

## **2.2 Purpose of the Head of Internal Audit Opinion**

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

This opinion will in turn assist the Board in the completion of its Annual Governance Statement and may also be considered by regulators, including Healthcare Inspectorate Wales, in assessing compliance with the Health and Care Quality Standards in Wales, and by Audit Wales in the context of both their external audit and performance reviews.

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

## **2.3 Assurance Rating System for the Head of Internal Audit Opinion**

The overall opinion is based primarily on the outcome of the work undertaken during the 2024/25 audit year. We also consider other information available to us such as our overall knowledge of the organisation, the findings of other assurance providers and inspectors, and the work we undertake at other NHS Wales organisations. The Head of Internal Audit considers the outcomes of the audit work undertaken and exercises professional judgement to arrive at the most appropriate opinion for each organisation.

A quality assurance review process has been applied by the Director of Audit & Assurance and the Head of Internal Audit in the annual reporting process to ensure the overall opinion is consistent with the underlying audit evidence.

We take this approach into account when considering our assessment of our compliance with the requirements of PSIAS.

The assurance rating system based upon the colour-coded barometer and applied to individual audit reports remains unchanged. The descriptive narrative used in these definitions has proven effective in giving an objective and consistent measure of assurance in the context of assessed risk and associated control in those areas examined.


This same assurance rating system is applied to the overall Head of Internal Audit opinion on governance, risk management and control as to individual assignment audit reviews. The assurance rating system together with definitions is included at **Appendix B**.

The individual conclusions arising from detailed audits undertaken during the year have been summarised by the assurance ratings received. The aggregation of audit results gives a better picture of assurance to the Board and also provides a rational basis for drawing an overall audit opinion. However, please note that for presentational purposes we have shown the results using the eight areas that were previously used to frame the audit plan at its outset.

## 2.4 Head of Internal Audit Opinion

### Scope of opinion

As noted already, the scope of my opinion covers both those areas examined in the risk-based audit plan which has been agreed with senior management and approved by the Audit Committee, and other information obtained during the year that we deem to be relevant to our work. The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement. The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below.

<b>Reasonable assurance</b>		The Board can take <b>Reasonable Assurance</b> 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.
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This opinion will need to be reflected within the Annual Governance Statement along with confirmation of action planned to address the issues raised from reviews.

Focus should be placed on the agreed response to any Limited Assurance opinions issued during the year and the significance of the recommendations made.

### Basis for Forming the Opinion

The audit work undertaken during 2024/25, and reported to the Audit Committee, has been aggregated at Section 5.

The evidence base upon which the overall opinion is formed is as follows:

- An assessment of the range of individual opinions and outputs arising from risk-based audit assignments contained within the Internal Audit plan that have been reported to the Audit Committee throughout the year. In addition, and where appropriate, work at either draft report stage or in progress but substantially complete has also been considered, and where this is the case then it is identified in the report. This assessment has taken account of the relative materiality of these areas and the results of any follow-up audits in progressing control improvements.
- The results of any audit work related to the Health & Care Quality Standards including, if appropriate, the evidence available by which the Board has arrived at its declaration in respect of the self-assessment for the leadership standard.
- Other assurance reviews which impact on the Head of Internal Audit opinion including audit work performed at other organisations (see Section 3).

- Other knowledge and information that the Head of Internal Audit has obtained during the year including cumulative information and knowledge over time; observation of Board and other key committee meetings; meetings with the executive team, senior managers and independent members; the results of *ad hoc* work and support provided; liaison with other assurance providers and Inspectors; research; and cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the opinion for this year.

As stated above, these detailed results have been aggregated to build a picture of assurance across the Health Board.

In reaching this opinion we have identified that our reviews during the year concluded positively with effective control arrangements operating in a number of areas.

From the opinions issued during the year, four were allocated Substantial Assurance, nineteen were allocated Reasonable Assurance, and six were Limited Assurance. There were no Unsatisfactory assurance opinions. At the time of this report we have ongoing fieldwork for one review.

In addition, the Head of Internal Audit considered the impact of the audit assignments planned this year which did not proceed to full audit following preliminary planning work and have been deferred until a future audit year. The reason for change to the audit plan was presented to the Audit Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review, the Head of Internal Audit has considered the impact of the change made to the plan when forming the overall opinion.

A summary of the findings is shown below. We have reported the findings using the eight areas of the Health Board's activities that we had previously used to structure our strategic and one-year operational plans.

### **Corporate Governance, Risk Management and Regulatory Compliance**

We have undertaken two reviews in this area.

**Audit recommendations tracker** – The Health Board maintains a tracker of all recommendations made in internal and external audit reports, and Health Inspectorate Wales (HIW) reviews. Responsible officers are required to provide updates to the tracker on the progress that has been made in implementing agreed recommendations, to the point recommendations are deemed completed, closed and removed from the tracker. Our review of this process identified two medium priority recommendations. We issued a **reasonable assurance** opinion.

**New care group model** – The Health Board's care group model saw the organisation transition from three Integrated Locality Groups (ILGs) to six care groups. Phase one saw the establishment of the triumvirate senior leadership teams for each care group. Phase two of the transition saw the creation and movement of the directorates that made up each care group and the leadership and management structures to support the care groups. Whilst the care groups operate across the Health Board, site-based hospital leadership teams remain in place at each of the acute District General Hospitals (DGH). Our work focused

on the operating structures within the Planned Care, Unscheduled Care and Mental Health & Learning Disabilities Care Groups. We assessed the impact of those structures on ensuring that appropriate governance arrangements are in place. We concluded **reasonable assurance** on this area with one medium priority matter requiring management attention.

### Strategic Planning, Performance Management & Reporting

We undertook three reviews in this area.

**Regional integration fund (RIF)** - The RIF brings together several existing funding streams to focus on community-based care, emotional health and well-being, supporting families to stay together safely, care experienced children, home from hospital services, and accommodation-based solutions (six national models of integrated care). Regional Partnership Boards (RPBs) can determine which projects and services align to these models of care, but in doing so need to ensure they meet the needs of relevant population groups; and are innovative, integrated, and transformative. Welsh Government has issued guidance to support the introduction of the RIF. Our review considered the arrangements that the Health Board has in place to engage with the projects and initiatives supported by the RIF, and to ensure they are being used effectively to deliver sustainable services for service users. Our review identified three medium priority findings and we issued a **reasonable assurance** opinion.

**Follow up – SLA arrangements** - We identified five matters arising in our original review, which included three high priority recommendations, and two medium priority recommendations. From our analysis of data, review of documentation and meetings with staff, we confirmed that three recommendations had been implemented and two had been partially implemented. We issued a **reasonable assurance** opinion.

**Vaccination policy implementation** – We audited the vaccination strategy implementation process and the Health Board’s plans for ensuring equity for vaccine uptake. We identified that, while there were clear strategies in place, there was no overarching implementation or operational plans although specific plans were often produced for individual vaccination campaigns. We issued a **limited assurance** opinion.

### Financial Governance and Management

We have undertaken six reviews in this area.

**Financial systems** – The Health Board has a number of Financial Control Procedures (FCPs) that set out the procedures and processes that should be followed to ensure appropriate controls in relation to the use of financial resources. This year we review focussed on the FCPs for petty cash and losses and special payments. Petty cash can be used for refunding of patient travel expenses and patient money withdrawals. Losses relate to the loss of cash or property, whereas special payments are payments that fall outside of the normal day to day business of the Health Board and for which no statutory authority to pay exists. Overall, we issued a **substantial assurance** opinion for financial systems.

**Additional medical pay – Additional duty hours (ADH) and waiting list initiatives (WLI)** - In September 2023 and June 2024, the Health Board launched rate cards for non-consultant and consultant grade staff, respectively, with an aim to standardise the rates paid to medical staff for ADHs, not just across the Health Board, but also more widely with other local health boards. WLIs are agreed additional sessions/clinics that are undertaken to specifically address waiting list challenges. Consultant grade staff receive additional pay to undertake these sessions. Our review looked at the policies and procedures in place, the approach to bookings, and monitoring and reporting. We issued a **limited assurance** report, with high priority findings primarily relating to the approach to bookings, but also identified that procedures need to be updated.

**Charitable funds** – Charitable funds is the term given to money that is donated to the Health Board and is administered through its registered charity. The Health Board is the corporate trustee of the charity and its charitable funds committee oversees the management of the funds. There are over 150 individual funds making up the charity, with the day-to-day administration of the funds delegated to fund managers. We identified four medium term priority findings and issued a **reasonable assurance** opinion on this area.

**Follow up – Facilities governance arrangements** – Our follow up work identified that management had made significant progress in addressing the recommendations and agreed actions detailed in the previous follow up audit report. At the time of our follow up work, of the eight recommendations originally identified, six had been closed, including both high priority recommendations. Work was ongoing with one medium priority recommendation, and action was yet to start on a second medium priority recommendation. Overall, we concluded **substantial assurance**.

**Follow up – Arrangements for financial savings** – Of the three high priority matters originally raised, two had been closed, with the third matter, relating to saving schemes assessments remained open. Overall, we concluded **reasonable assurance**.

**Welsh Risk Pool (WRP) [Draft]** – The processing of a claim against the Health Board in relation to a clinical negligence or personal injury case can take several years between the initial claim and the final settlement. Although the redress process is notably quicker, each case still requires a large amount of documentation to be completed and retained. The WRP standard requires Internal Audit to review the accuracy of a representative sample of closed compensation claims for reimbursement by Welsh Risk Pool Services. We have issued a **reasonable assurance** opinion.

### Quality & Safety

We have undertaken three reviews in this area.

**Duty of Candour** – The Duty, introduced in April 2023, means that NHS organisations have a duty to be open and honest with the service users for which they are providing healthcare. We have issued **reasonable assurance** on this area. We identified one high priority matter relating to the need for Datix to be fully completed with a consistent approach. To aid this, guidance needs to be in place and available to staff.

**Service user experience** – Service users have the right to experience respectful and professional care, in a considerate and supportive environment, where their privacy is protected, and dignity maintained. A high-quality experience should be fundamental, underpinned by appropriate standards, whatever and wherever the setting of care and treatment. Our review of this identified one medium priority finding. We issued a **substantial assurance** opinion.

**Embedding the quality framework** – Our review sought to provide assurance over the Health Board’s quality governance and patient safety framework. Our testing focussed on its application in specific care groups: children and families; and diagnostics, therapies, pharmacy and specialties. We issued a **reasonable assurance** report which identified one high priority finding relating to the need to have a consistent approach to annual quality work plans in clinical service groups. We also identified three medium priority matters.

**Information Governance & Security**

We have undertaken two reviews in this area.

**Intelligence led organisation** – We reviewed the capabilities in place, from a people, process and technology perspective, for the Health Board to manage and transform its data to deliver appropriate and accurate intelligence to inform better decision making. We identified that there is a data strategy as part of the digital strategy, which makes a clear intent to move to being an intelligence led organisation. Management had considered the skills needed and increased resource provided to the information function. There was a data warehouse to provide information, and the organisation was moving towards a Welsh data standard. Information products are used for decision making and the use of dashboards is monitored. We identified a number of medium priority recommendations and issued **reasonable assurance** opinion.

**Digital benefits realisation** – Benefits realisation is the definition, planning, structuring and actual realisation of the benefits of a business change or digital implementation project. We identified two high priority findings: the Health Board did not have a comprehensive framework for project and benefits management; and business cases did not always demonstrate measurable project value. We also identified two medium priority findings. We issued a **limited assurance** opinion.

**Operational Service and Functional Management**

We have undertaken seven reviews in this area.

**Cancer tracking process** – Cancer services improvement is a key workstream that features within the Health Board’s Integrated Medium-Term Plan as part of its planned care recovery and improvement programme. The Health Board’s cancer performance, in relation to the single cancer pathway (SCP), is reported within its integrated performance report. We focused on the effectiveness of the structures and processes in place to provide sustainable cancer services that deliver the SCP and adherence to the nationally optimised pathways for gynaecology and urology, with consideration to how the multi-disciplinary

teams are functioning. We raised one high priority matter relating to month end validation and breach reporting backlogs. We also raised four medium priority matters. We issued a **reasonable assurance** opinion.

**Access to diagnostics** [Draft] – Patient access to diagnostics in NHS Wales has been a focus of recent efforts to improve healthcare services. Diagnostics are an essential component of nearly all patient pathways and provides the evidence base upon which clinical decisions are made. Therefore, prompt access plays a key role in achieving timely care for patients and in doing so, helps the Health Board improve its referral to treatment times. We looked at the guidance in place, the referral system, the waiting list system, and the approach to monitoring. We focused specifically on two areas: Non-Obstetric Ultrasound (NOUS) and Non-Cardiac CT. We issued a **reasonable assurance** opinion.

**End of life care management** [Draft] – End of life care helps those with advanced, progressive, incurable illness to live as well as possible until they die. It enables the supportive and palliative care needs of both patients and families to be identified and met throughout the last phase of life and into bereavement. Our work focused on the arrangements to deliver the Health Board’s key priorities for end of life care, including the training in place, guidance for staff and patients, and the monitoring and reporting arrangements. We issued a **limited assurance** report, and raised two high priority findings: one relating to the monitoring against the end of life care action plan; and one for staff training. We also made two medium priority recommendations.

**Delayed transfer of care** – At the time of this report our fieldwork was ongoing. However, we have not identified any significant matters that need consideration for the annual opinion.

**Electronic whiteboards** – The electronic whiteboards (EWB) are designed to be used in conjunction with the Health Board’s ‘Optimal Patient Flow Framework’ and information should be routinely captured in the EWB system as part of daily ‘Board Round’, and during day-to-day ward activities to aid decision-making regarding patient flow and discharge planning. This digital system replaces traditional paper-based whiteboards to provide real-time, at-a-glance patient information. We identified a high priority finding relating to training materials and a second high priority finding relating to data accuracy and completeness. We also made a number of medium priority recommendations. We issued a **reasonable assurance** opinion.

**Follow up – Emergency department 4-hour performance target** – We followed up the progress that the Health Board had made implementing the recommendations agreed in our limited assurance report issued in February 2024. We found that the Health Board had made progress on the recommendations and we issued a **reasonable assurance** opinion.

**Progress update – Gastro-intestinal pathways** – In May 2025 we provided the Audit Committee with an update on the progress made by the Health Board on the recommendations made in our original report. We did not issue an audit opinion in the update report as we plan to undertake a follow up audit in 2025/26.

## Workforce Management

We undertook two reviews in this area during 2024/25. In addition, the audits of the payroll system and recruitment services provided by NWSSP both concluded with a substantial assurance opinion ratings (see Section 3 below).

**New Personal Development Review (PDR) process** – The Health Board’s new approach PDR is called ‘Your Conversation’. The new approach uses a condensed, values-based format with the aim of facilitating meaningful conversations about personal and professional development. Staff are also required to complete a ‘staying well’ plan ahead of their PDR meeting, providing an important space for staff to discuss their wellbeing alongside their development. We made three medium priority recommendations and issued **reasonable assurance** on this area.

**Medical job planning** – Job plans are mandatory and is a professional and contractual obligation for consultants and employers, and sets out the duties, responsibilities, accountabilities and outcomes of the consultant, and the support and resources provided by the employer for the coming year. The Health Board uses the Allocate system to capture job plans, where a record of the work that a consultant will undertake for the Health Board is split by Direct Clinical Care (DCC) and Supporting Professional Activities (SPA). We made three high priority recommendations in our review. These related to: ensuring that job plans included both personal and service outcomes; that job plans are reviewed and updated each year; and that job plans that are in discussion are agreed in good time. Overall, we issued a **limited assurance** opinion on this area.

## Capital & Estates Management

This year we have undertaken six reviews in this area. Four of the completed assignments have been delivered as a part of the Prince Charles Hospital (PCH) redevelopment project’s integrated audit plan (approved at the Full Business Case and funded via the annual capital resource limit). The capital systems and energy management reviews formed a part of the Health Board’s internal audit plan. Our programme of work reflects the extent of the Health Board’s capital programme and the risks associated with large building projects.

**Prince Charles Redevelopment Programme Integrated Audit Plan.** – the areas we considered were as follows:

- **Management actions follow up** – This review sought to obtain assurance that appropriate management action had been taken to address the previously agreed Internal Audit recommendations. All fourteen prior recommendations had been addressed and we issued a **substantial assurance** opinion.
- **Supply chain partner management** – The purpose of this audit was to review and assess the effectiveness of project delivery, with a specific focus on the performance of the Supply Chain Partner (SCP). Given the critical role of the SCP in ensuring the successful execution of the project, the review evaluated their adherence to contractual obligations and agreed protocols. We issued a **reasonable assurance** opinion recognising that the level of control demonstrated by the SCP had been positive, with several key areas of strength identified. Notably, the SCP had exhibited robust practices

in health and safety management, ensuring a safe working environment across the project. Six management actions were agreed including two high priority items relating to improvements in cashflow (defined cost) reporting and the resolution of the disputed programme issues.

- **Delivery of project objectives** - The aim of the audit was to assess the project's performance in relation to the critical aspects of time, cost, and quality. The programme had been delayed primarily due to additional asbestos remediation and the Health Board's request to expand the Intensive Therapy Unit. Recognising the original construction period and the intrusive nature of the works the reported delays were not unreasonable. The forecast overspends present a potential adverse impact to the Health Board's finances or an opportunity cost should discretionary capital be required to address any variances. However, the cost assurance remained reasonable, largely due to the robust controls implemented within the project team and the transparent reporting structures applied. We also saw management's commitment to learning lessons and continuous improvement through the programme delivery. We issued a **reasonable assurance** opinion.
- **Financial and technical compliance** [Draft] – We looked at the financial/ technical aspects of the project including follow up of areas that we had identified as requiring improvement in the prior year audit. We issued a **reasonable assurance** opinion.

**Capital systems** – Our review focused on the selection, appointment and contractual arrangements applied at estates projects (covering both advisers and contracts). Overall, corporate governance arrangements were well established, with Standing Orders, Standard Financial Instructions (SFIs), and other financial control procedures in place. Key strengths include successful applications for Estates Funding Advisory Board (EFAB) monies, Executive Capital Management Group approvals, and purchase orders secured for the projects that we sampled. Additionally, where contracts were in place, there was effective scrutiny and annotation, demonstrating good practice in quality control and due diligence. However, we issued a **limited assurance** opinion due to deviations from corporate controls, including the Health Board's Standards of Behaviour and Standard Financial Instructions.

**Energy management** – The audit sought to determine the adequacy of, and operational compliance with, the established systems for the management and control of energy consumption within the Health Board and also took account of other supporting regulatory and procedural requirements, as appropriate. The review included both central monitoring and site-based implementation of controls, including sample testing. We issued a **reasonable assurance** opinion with four medium priority management actions agreed.

## 2.5 Approach to Follow Up of Recommendations

As part of our audit work, we consider the progress made in implementing the actions agreed from our previous reports for which we were able to give only Limited Assurance. In addition, where appropriate, we also consider progress made on high priority findings in reports where we were still able to give Reasonable Assurance. We also undertake some testing on the accuracy and effectiveness of the audit recommendation tracker.

In addition, audit committees monitor the progress in implementing recommendations (this is wider than just Internal Audit recommendations) through their own recommendation tracker processes. We attend all audit committee meetings and observe the quality and rigour around these processes.

However, it remains the role of audit committees to consider and agree the adequacy of management responses and the dates for implementation, and any subsequent request for revised dates, proposed by management. Where appropriate, we have adjusted our approach to follow-up work to reflect these challenges.

We have considered the impact of both our follow-up work and where there have been delays to the implementation of recommendations, on both our ability to give an overall opinion (in compliance with the PSIAS) and the level of overall assurance that we can give.

This year, as identified in section 2.4, above, we have undertaken a review of the audit tracker process. We concluded a reasonable assurance opinion over the process. While the Health Board's recommendation tracking process continued during 2024/25, it has also introduced a new recommendation tracker management system. Management have taken this opportunity to review the continued appropriateness of older recommendations where a process or control may have changed meaning the original recommendation has become obsolete.

## **2.6 Limitations to the Audit Opinion**

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems.

As mentioned above the scope of the audit opinion is restricted to those areas which were the subject of audit review through the performance of the risk-based Internal Audit plan. In accordance with auditing standards, and with the agreement of senior management and the Board, Internal Audit work is deliberately prioritised according to risk and materiality. Accordingly, the Internal Audit work and reported outcomes will bias towards known weaknesses as a driver to improve governance risk management and control. This context is important in understanding the overall opinion and balancing that across the various assurances which feature in the Annual Governance Statement.

Caution should be exercised when making comparisons with prior years. Audit coverage will vary from year to year based upon risk assessment and cyclical coverage on key control systems.

## **2.7 Period covered by the Opinion**

Internal Audit provides a continuous flow of assurance to the Board and, subject to the key financials and other mandated items being completed in-year, the cut-off point for annual reporting purposes can be set by agreement with management. To enable the Head of Internal Audit opinion to be better aligned with the production of the Annual Governance Statement a pragmatic cut-off point has been applied to Internal Audit work in progress.

By previous agreement with the Health Board, audit work reported to draft stage has been included in the overall assessment, with all other work in progress rolled-forward and reported within the overall opinion for next year.

Most audit reviews will relate to the systems and processes in operation during 2024/25 unless otherwise stated and reflect the condition of internal controls pertaining at the point of audit assessment.

Follow-up work will provide an assessment of action taken by management on recommendations made in prior periods and will therefore provide a limited scope update on the current condition of control and a measure of direction of travel.

There are some specific assurance reviews which remain relevant to the reporting of the organisation's Annual Report required to be published after the year end. Where required, any specified assurance work would be aligned with the timeline for production of the Health Board's Annual Report and accordingly will be completed and reported to management and the Audit Committee after this Head of Internal Audit Opinion. However, the Head of Internal Audit's assessment of arrangements in these areas would be legitimately informed by drawing on the assurance work completed as part of this current year's plan.

## **2.8 Required Work**

Please note that following discussions with Welsh Government we were not mandated to audit any areas in 2024/25.

## **2.9 Statement of Conformance**

The Welsh Government determined that the Public Sector Internal Audit Standards (PSIAS) would apply across the NHS in Wales from 2013/14.

The provision of professional quality Internal Audit is a fundamental aim of our service delivery methodology and compliance with PSIAS is central to our audit approach. Quality is controlled by the Head of Internal Audit on an ongoing basis and monitored by the Director of Audit & Assurance. In addition, at least once every five years, we are required to have an External Quality Assessment. This was undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023, reported in April 2023 stated who concluded we 'Fully Conform' with the Standards.

The NWSSP Audit and Assurance Services can assure the Audit Committee that it has conducted its audits at the Health Board in conformance with the Public Sector Internal Audit Standards for 2024/25.

Our conformance statement for 2024/25 is based upon:

- the results of our internal Quality Assurance and Improvement Programme (QAIP) for 2024/25 which will be reported formally in the summer of 2025; and
- The results of the External Quality Assessment.

We have set out, in **Appendix A**, the key requirements of the Public Sector Internal Audit Standards and our assessment of conformance against these requirements. The full results and actions from our QAIP will be included in the 2024/25 QAIP report. There are no significant matters arising that need to be reported in this document.

We also note that there have been no impairments to the independence of the Head of Internal Audit or to any other members of NWSSP's Audit & Assurance Service who undertook work on the Health Board's audit programme for 2024/25.

The Head of Internal Audit has unfettered access to the Chief Executive, Chair of the Audit Committee and Chair of the Health Board.

## **2.10 Completion of the Annual Governance Statement**

While the overall Internal Audit opinion will inform the review of effectiveness for the Annual Governance Statement, the Accountable Officer and the Board need to consider other assurances and risks when preparing their Statement. These sources of assurances will have been identified within the Board's own performance management and assurance framework and will include, but are not limited to:

- direct assurances from management on the operation of internal controls through the upward chain of accountability;
- internally assessed performance against the Health & Care Quality Standards;
- results of internal compliance functions including Local Counter-Fraud, Post Payment Verification, and risk management;
- reported compliance via the Welsh Risk Pool regarding claims standards and other specialty specific standards reviewed during the period; and
- reviews completed by external regulation and inspection bodies including Audit Wales, Healthcare Inspectorate Wales and Health and Safety Executive.

### 3. Other work relevant to the Health Board

As our internal audit work covers all NHS Wales organisations there are a number of audits that we undertake each year which, while undertaken formally as part of a particular health organisation's audit programme, will cover activities relating to other health bodies. These are set out below, with relevant comments and opinions attached, and relate to work at:

- NHS Wales Shared Services Partnership;
- Digital Health & Care Wales; and
- NHS Wales Joint Commissioning Committee.

#### NHS Wales Shared Services Partnership (NWSSP)

As part of the internal audit programme at NHS Wales Shared Services Partnership (NWSSP), a hosted body of Velindre University NHS Trust, a number of audits were undertaken which are relevant to the Health Board. These audits of the financial systems operated by NWSSP, processing transactions on behalf of the Health Board, derived the following opinion ratings:

Audit	Opinion	Outline scope
Accounts Payable	Reasonable	To review the adequacy of the systems and controls in place for key risk areas in the accounts payable process.
Payroll	Substantial	The overall objective of this audit was to evaluate and determine the adequacy of the systems and controls in place with Payroll Services.
Primary Care Services (PCS) Pharmacy	Substantial	To provide assurance that Primary Care Services is maintaining a robust system to facilitate timely and accurate payments to pharmacy contractors.
Recruitment services	Substantial	To review the adequacy of systems and controls in place for recruitment services.

Please note that other audits of NWSSP activities are undertaken as part of the overall NWSSP internal audit programme. All audits in this programme are reported to the Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership. The overall Head of Internal Audit Opinion for NWSSP is Reasonable Assurance.

#### Digital Health & Care Wales (DHCW)

As part of the internal audit programme at DHCW, a Special Health Authority that started operating from 1 April 2021, a number of audits were undertaken which are relevant to the Health Board. These audits derived the following opinion ratings:

Audit	Opinion	Outline scope
Financial Sustainability	Reasonable	To review the financial management arrangements in place to ensure the ongoing sustainability of services and project delivery, with a particular focus on sustainable funding requirements for projects (e.g. DPIF, WASPI).
Programme management	Reasonable	To establish the effectiveness of the portfolio management model used by DHCW and the controls that are in place to ensure it operates across the range of active projects.
Mission One – National Data Resource	Reasonable	To provide assurance over the National Data Resource (NDR) platform programme of work, including progress towards implementing local datastores, and reference, demographics and medicines data.
Mission One – Cloud Services	Substantial	To provide assurance over the programme of work to move live services from datacentres into the cloud.

Please note that other audits of DHCW activities are undertaken as part of the overall DHCW internal audit programme. The overall Head of Internal Audit Opinion for DHCW is Reasonable Assurance.

### NHS Wales Joint Commissioning Committee (JCC)

The work at the JCC is undertaken as part of the Cwm Taf Morgannwg University Health Board's internal audit plan. These audits are listed below and derived the following opinion ratings:

Audit	Opinion	Outline scope
Mental Health Quality Commissioning arrangements	Reasonable	The purpose of the review was to assess the effectiveness of the arrangements in the JCC to oversee the quality and safety aspects of the commissioning of mental health and learning disability placements.
Governance	Advisory	To assess the arrangements that have been put in place at the JCC for embedding the statutory governance framework and the establishment of operational governance arrangements to provide effective oversight in the new organisation.
Financial arrangements	Reasonable	To consider the financial arrangements in relation to financial management and budgetary control, procurement and income.
Review of Traumatic Stress Wales [Draft]	Limited	The purpose of the review was to provide information to assist the Director of Commissioning for Mental Health, Learning Disabilities and Vulnerable Groups within the JCC to determine the optimum delivery mechanism for the national objective of Traumatic Stress Wales (TSW), by review of the adequacy of the systems and controls in place within TSW and the JCC in relation to its management of TSW. The review sought to provide assurance to the Chief Commissioner via the Director of

		Commissioning for Mental Health, Learning Disabilities and Vulnerable Groups, that TSW is operating effectively, systems are being managed appropriately, and there is clarity on the purpose and objectives of TSW within the new arrangements for the JCC.
--	--	--

While these audits do not form part of the annual plan for the Health Board, they are listed here for completeness as they do impact on the organisation’s activities. The Head of Internal Audit has considered if any issues raised in the audits could impact on the content of our annual report and concluded that there are no matters of this nature.

Full details of the NWSSP audits are included in the NWSSP Head of Internal Audit Opinion and Annual Report and are summarised in the Velindre NHS Trust Head of Internal Audit Opinion and Annual Report. DHCW audits are summarised in the DHCW Head of Internal Audit Opinion and Annual Report.

## **4. Delivery of the Internal Audit Plan**

### **4.1 Performance against the Audit Plan**

The Internal Audit Plan has been delivered substantially in accordance with the schedule agreed with the Audit Committee, subject to changes agreed as the year progressed. Regular audit progress reports have been submitted to the Audit Committee during the year.

The audit plan approved by the Committee in April 2024 (including the plan for the PCH capital project) contained 37 planned reviews. In addition, one prior year review, where the work concluded in 2025/26, is included in this annual report. Changes have been made to the plan with eight audits deferred and one audit added to the plan. These changes were reported to, and approved by, the Audit Committee.

The assignment status summary is reported at section 5.

In addition, we may respond to requests for advice and/or assistance across a variety of business areas across the Health Board. This advisory work, undertaken in addition to the assurance plan, is permitted under the standards to assist management in improving governance, risk management and control. This activity is reported during the year within our progress reports to the Audit Committee.

## 4.2 Service Performance Indicators

In order to monitor aspects of the service delivered by Internal Audit, a range of service performance indicators have been developed.

Indicator Reported to Audit Committee	Status	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2024/25	<b>G</b>	May 2024	By 30 June	Not agreed	Draft plan	Final plan
Total assignments reported against adjusted plan for 2024/25	<b>G</b>	97% (30/31)	100%	v>20%	10%<v≤20%	v≤10%
Report turnaround: time from fieldwork completion to draft reporting [10 working days]	<b>G</b>	100% (30/30)	80%	v>20%	10%<v≤20%	v≤10%
Report turnaround: time taken for management response to discussion & draft report [15 working days]	<b>R</b>	56% (15/27)	80%	v>20%	10%<v≤20%	v≤10%
Report turnaround: time from management response to issue of final report [10 working days]	<b>G</b>	96% (26/27)	80%	v>20%	10%<v≤20%	v≤10%

Key: v = percentage variance from target performance

## 5. Risk based audit assignments

The overall opinion provided in Section 1 and our conclusions on individual reviews is limited to the scope and objectives of the reviews we have undertaken, detailed information on which has been provided within the individual audit reports.

### 5.1 Overall summary of results

In total 30 audit reviews were reported during the year. Figure 1 below presents the assurance ratings, and the number of audits derived for each.

**Figure 1 Summary of audit ratings**

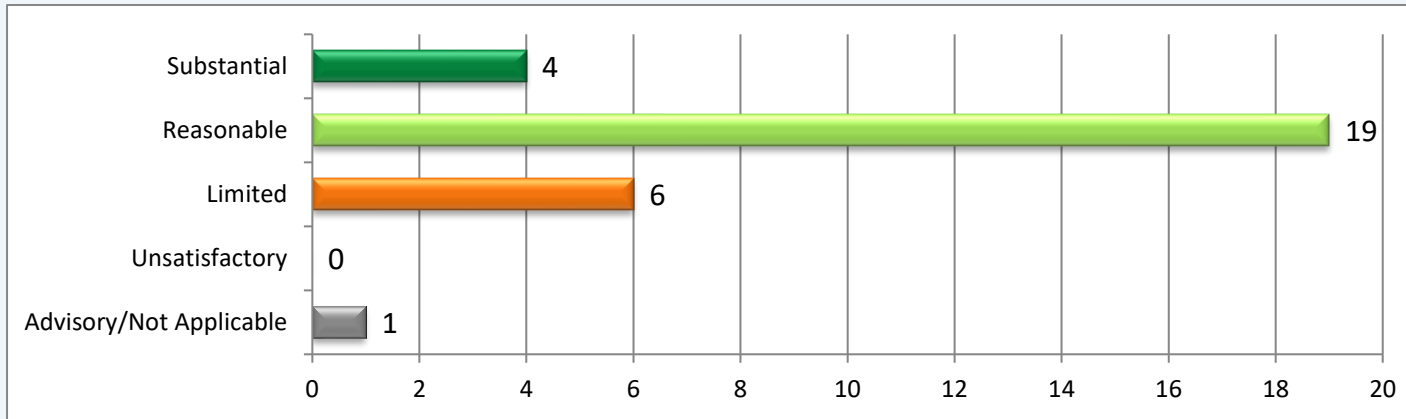


Figure 1 above does not include the audit ratings for the reviews undertaken at NWSSP, DHCW or the JCC.

The assurance ratings and definitions used for reporting audit assignments are included in **Appendix B**.

The following sections provide a summary of the scope and objective for each assignment undertaken within the year along with the assurance rating.

### 5.2 Substantial Assurance (Dark Green)



In the following review areas, the Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Those few matters that may require attention are compliance or advisory in nature with low impact on residual risk exposure.

Review Title	Objective
Service user experience	To consider how the patient feedback process is operating across the Health Board.
Core financial systems	To consider the controls in place to manage key risk areas across the main financial systems.
Follow up – Facilities governance arrangements	To follow up on previous year’s limited assurance report.
Follow up – PCH management actions	To follow up on previous year’s limited assurance report.

### 5.3 Reasonable Assurance (Light Green)



In the following review areas, the Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Some matters require management attention in either control design or operational compliance and these will have low to moderate impact on residual risk exposure until resolved.

Review Title	Objective
New care group model	To consider scheme of delegation, clinical governance arrangements, and governance and risk management arrangements.
Cancer tracking process	Focus on effective implementation and adherence to optimal clinical pathways and how the multi-disciplinary teams are functioning.
Intelligence led organisation	To review the capabilities in place, from a people, process and technology perspective, for the Health Board to manage and transform its data to deliver the appropriate and accurate intelligence to inform better decisions.
Duty of Candour	To consider the process and procedure implemented by the Health Board to ensure compliance with the Duty of Candour.
Electronic whiteboards	To consider the implementation of the Health Board’s electronic whiteboards system.

Review Title	Objective
New PDR process	Consideration of the implementation of the new PDR process. Ensuring the new process is being followed across the Health Board.
Access to diagnostics [Draft]	To consider the arrangements in place for patient access to diagnostics. Diagnostics are an essential component of nearly all patient pathways and provides the evidence base upon which clinical decisions are made.
Welsh risk pool [Draft]	The overall objective of this audit is to provide assurance that claims are accurate, and the reimbursement process is in compliance with the Welsh Risk Pool Standard.
Audit recommendations tracker	To consider the process for monitoring and closing recommendations recorded on the audit tracker.
Energy management	To gain assurance that appropriate arrangements are in place to manage energy consumption within the Health Board.
Charitable funds	The objective of the audit was to review the processes in place within the Health Board to ensure that charitable funds are appropriately managed and administered in accordance with relevant legislation and Health Board guidance.
Regional integration fund	Consideration of the delivery of project work identified in the pillars of the model of care.
Follow up – Emergency department 4-hour performance target	To follow up on previous year's limited assurance report.
Follow up – Arrangements for financial savings	To follow up on previous year's limited assurance report.
Follow up – SLA arrangements	To follow up on previous year's limited assurance report.
Embedding the quality framework	To provide assurance on the embedding of the framework within the Health Board.
PCH – Supply chain partner management	To review and assess the effectiveness of project delivery, with a specific focus on the performance of the Supply Chain Partner (SCP).
PCH – Delivery of project objectives	To assess the project's performance in relation to the critical aspects of time, cost, and quality.
PCH – Financial and technical compliance [Draft]	The focus of the review was the financial/ technical aspects of the project including follow up of areas identified as requiring improvement in the prior year audit.

## 5.4 Limited Assurance (Amber)



In the following review areas, the Board can take only **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with moderate impact on residual risk exposure until resolved.

Review Title	Objective
End of life care management [Draft]	To consider the application of the strategy and arrangements in place. Focus on advanced care planning and DNRCP.
Digital benefits realisation	Is the Health Board gaining the anticipated value from investment in digital solutions. Consideration of digital transformation team function, who have benefits realisation as part of their remit.
Additional medical pay - Additional duty hours and waiting list initiatives	To review the systems and controls in place within the Health Board for the management of additional duty hours payments and waiting list management payments to medical staff.
Medical job planning	Consideration of procedures for job planning. Link of job planning to pay and to demand and capacity planning within service groups.
Capital systems	To review the control framework, systems and processes in place to manage discretionary, EFAB or other capital/ estates funded schemes (not progressed through integrated audit plans (IAP) – ensuring compliance with minimum requirements.
Vaccination implementation policy	Review of the strategy implementation process and plans for ensuring equity for vaccine uptake.

## 5.5 Unsatisfactory (Red)



No reviews were assigned an 'unsatisfactory' opinion.

## 5.6 Advisory/Assurance Not Applied (Grey)



The following review was undertaken as part of the audit plan and reported without the standard assurance rating indicator, owing to the nature of the audit approach. The level of assurance given for this review is deemed not applicable – these are reviews and other assistance to management, provided as part of the audit plan, to which the assurance definitions are not appropriate, but which are relevant to the evidence base upon which the overall opinion is formed.

Review Title	Objective
Progress update - Gastro-Intestinal pathways	To provide an update on the implementation of agreed recommendations.

## 5.7 Audits not undertaken

Additionally, the following audits were deferred for the reasons outlined below. We have considered these reviews and the reason for their deferment when compiling the Head of Internal Audit Opinion.

Review Title	Reason why not undertaken
Clinical coding	During our planning phase we established that DHCW had recently undertaken a review of clinical coding accuracy.
Llantrisant health park	Project has had gateway review in year.
Follow up – INNU	The Health Board is awaiting updated the all Wales guidance before fully implementing the recommendations made in our original review.
Primary Care	We had planned to focus on clusters. Progress had not been as quick as anticipated, so we deferred allowing more time for services to establish.
Stroke	Rescheduled to early 2025/26 following Stroke service temporary centralisation.
Follow up - Decarbonisation	This was deferred to allow more time for the Health Board to implement the agreed actions.
PCH - Equipment	To avoid duplication with a review already undertaken by NWSSP Internal Audit work programme which included PCH equipment in sample.

In addition, at the time of this annual report there was one review, relating to delayed transfer of care, that was 'work in progress'.

## **6. Acknowledgement**

In closing I would like to acknowledge the time and co-operation given by directors and staff of the Health Board to support delivery of the Internal Audit assignments undertaken within the 2024/25 plan.

Paul Dalton

Pennaeth yr Archwiliad Mewnol/Head of Internal Audit

Gwasanaethau Archwilio a Sicrwydd/Audit and Assurance Services

Partneriaeth Cydwasanaethau GIG Cymru/NHS Wales Shared Services Partnership

June 2025






## Appendix A

<b>ATTRIBUTE STANDARDS</b>	
<b>1000 Purpose, authority and responsibility</b>	Internal Audit arrangements are derived ultimately from the NHS organisation's Standing Orders and Financial Instructions. These arrangements are embodied in the Internal Audit Charter adopted by the Audit Committee on an annual basis.
<b>1100 Independence and objectivity</b>	Appropriate structures and reporting arrangements are in place. Internal Audit does not have any management responsibilities. Internal audit staff are required to declare any conflicts of interests. The Head of Internal Audit has direct access to the Chief Executive and Audit Committee chair. There have been no impairments to our independence during 2024/25.
<b>1200 Proficiency and due professional care</b>	Staff are aware of the Public Sector Internal Audit Standards and code of ethics. Appropriate staff are allocated to assignments based on knowledge and experience. Training and development exist for all staff. The Head of Internal Audit is professionally qualified.
<b>1300 Quality assurance and improvement programme</b>	Head of Internal Audit undertakes quality reviews of assignments and reports as set out in internal procedures. Internal quality monitoring against standards is performed by the Head of Internal Audit and Director of Audit & Assurance. An EQA was undertaken in 2023.
<b>PERFORMANCE STANDARDS</b>	
<b>2000 Managing the internal audit activity</b>	<p>The Internal Audit activity is managed through the NHS Wales Shared Services Partnership. The audit service delivery plan forms part of the NWSSP integrated medium term plan. A risk based strategic and annual operational plan is developed for the organisation. The operational plan gives detail of specific assignments and sets out overall resource requirement. The audit strategy and annual plan is approved by Audit Committee.</p> <p>Policies and procedures which guide the Internal Audit activity are set out in an Audit Quality Manual. There is structured liaison with Audit Wales, HIW and LCFS.</p>

<b>2100 Nature of work</b>	The risk-based plan is developed and assignments performed in a way that allows for evaluation and improvement of governance, risk management and control processes, using a systematic and disciplined approach.
<b>2200 Engagement planning</b>	The Audit Quality Manual guides the planning of audit assignments which include the agreement of an audit brief with management covering scope, objectives, timing and resource allocation.
<b>2300 Performing the engagement</b>	The Audit Quality Manual guides the performance of each audit assignment and report is quality reviewed before issue.
<b>2400 Communicating results</b>	<p>Assignment reports are issued at draft and final stages. The report includes the assignment scope, objectives, conclusions and improvement actions agreed with management. An audit progress report is presented at each meeting of the Audit Committee.</p> <p>An annual report and opinion is produced for the Audit Committee giving assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.</p>
<b>2500 Monitoring progress</b>	An internal follow-up process is maintained by management to monitor progress with implementation of agreed management actions. This is reported to the Audit Committee. In addition, audit reports are followed up by Internal Audit on a selective basis as part of the operational plan.
<b>2600 Communicating the acceptance of risks</b>	If Internal Audit considers that a level of inappropriate risk is being accepted by management, it would be discussed and will be escalated to Board level for resolution.

# Appendix B

## Assurance Opinion

	<b>Substantial</b>	Few matters require attention and are compliance or advisory in nature. <b>Low impact</b> on residual risk exposure.
	<b>Reasonable</b>	Some matters require management attention in control design or compliance. <b>Low to moderate impact</b> on residual risk exposure until resolved.
	<b>Limited</b>	More significant matters require management attention. <b>Moderate impact</b> on residual risk exposure until resolved.
	<b>Unsatisfactory</b>	Action is required to address the whole control framework in this area. <b>High impact</b> on residual risk exposure until resolved.
	<b>Advisory</b>	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

## Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of Cwm Taf Morgannwg University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of Cwm Taf Morgannwg University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

## Prioritisation of Findings

Priority	Explanation
<b>High</b>	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
<b>Medium</b>	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

## Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.



# Audit of Accounts Report – Cwm Taf Morgannwg University Health Board

Audit year: 2024-25

Date issued: June 2025

Document reference: 4918A2025

This document is a draft version pending further discussions with the audited body. Information may not yet have been fully verified and should not be widely distributed.



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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

# Introduction



**Adrian Crompton**

Auditor General for  
Wales

I am pleased to share my Audit of Accounts Report. The Report summarises the main findings from my audit of your 2024-25 Annual Report and Accounts. My team have already discussed these findings with the relevant senior officers.

My team have substantially completed the audit work as set out in my Audit Plan dated April 2025. The remaining tasks are the review of the closure parts of the audit file, which include my mandated audit checks up to the day of my certification.

Since my Audit Plan, I have updated materiality to reflect the 2024-25 accounts. I

have not identified any new audit risks. My response to previously identified risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared, and give a true and fair view, in all material aspects, and whether income and expenditure have been applied to the purposes intended. My proposed audit opinion and basis for it is outlined in **Appendix 3**.

It is the responsibility of the those charged with governance, i.e. the Board, to address any matters raised in my report and provide me with a Letter of Representation.

I would like to extend my gratitude to the officers and staff of the Health Board and the NHS Wales Joint Commissioning Committee for their cooperation throughout the audit process, which has been invaluable in completing this audit effectively.

## Your audit at a glance



I intend to issue an **unqualified true and fair opinion** but a qualified regularity opinion on the accounts. The audit opinion in respect of the regularity of expenditure is qualified because the Health Board did not meet its revenue resource allocation over the three-year period ending 31 March 2025.

See [Appendix 4](#)



There are no **significant matters** to report.

I am also proposing to issue a **substantive report** regarding the Health Board's failure to meet one of its two statutory financial duties under the National Health Service Finance (Wales) Act 2014. My substantive report also comments on the second financial duty, which the Health Board has achieved.

See [Audit findings](#)



There are no **uncorrected misstatements** in the accounts which we wish to draw to your attention.



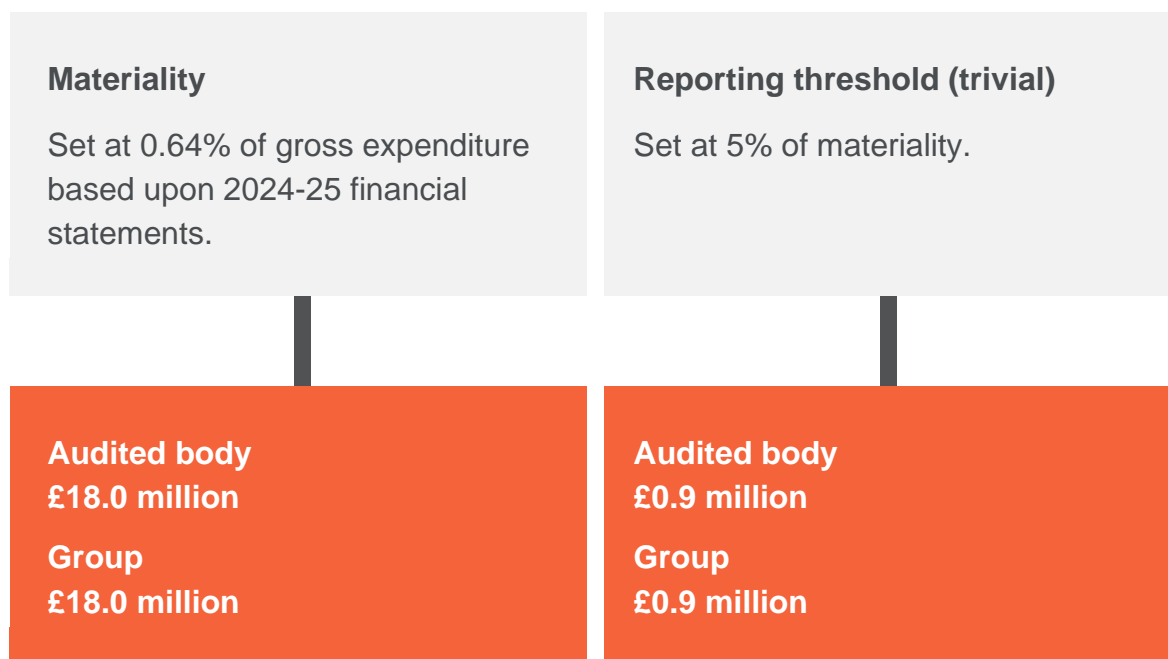
The recommendations arising from my work will be set out in an Accounts Memorandum Report, which will be communicated with officers in due course. The agreed report, which will include management's responses to my audit recommendations, will be presented to the Health Board's Audit and Risk Committee.



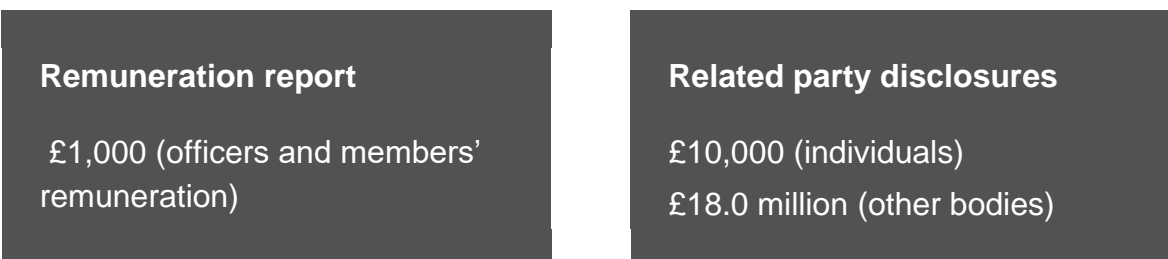
We are aiming to certify your accounts on **27 June 2025**, which is ahead of the deadline of **30 June 2025**.

# Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:



There are some areas of the accounts that may be of more importance to the user of the accounts. I confirm lower materiality levels for these:



# Audit of Groups

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The group accounts contain the results of the single entity, being the Health Board, and its hosted body the NHS Wales Joint Commissioning Committee which is regarded as a component of the group.

This year, I am required to implement a revised auditing standard on the audit of groups. The revised standard saw us adopt a more risk-based approach, ensuring that audit procedures were tailored to address specific risks impacting the group accounts.

My team undertook the audit of the Health Board and the NHS Wales Joint Commissioning Committee. There are no matters to bring to your attention.

# Audit Findings

## Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

### Uncorrected misstatements

There were no uncorrected misstatements that I consider should be drawn to your attention.

### Corrected misstatements

During our audit, I identified misstatements that have been corrected by management, but which I consider should be drawn to your attention.

These are set out in **Appendix 2**.

## Other significant issues

International Standard on Auditing 260 requires me to communicate with those charged with governance. I must tell you significant findings from the audit and other matters if they are significant to your oversight of Health Board's financial reporting process. I also raise any other matters such as any significant problems experienced by my team.

### Long delays with access to certain IT officers

Throughout the audit my team had excellent engagement and support from Health Board and Joint Commissioning Committee officers, which enabled my team to complete the audit by the deadline in place.

My team did however experience significant delays that ran into the second week of June, regarding the Health Board's Wellsky and Retinue systems.

Despite concerted efforts by my team, the delays arose due to significant problems with getting access to the relevant IT officers: being the Health Board's IT officers for the Wellsky system; and the external contractor's officers for Retinue.

I will comment further on this matter, with an audit recommendation for improvement, in my Accounts Memorandum Report, which will be presented to the August meeting of the Health Board's Audit and Risk Committee.

## Proposed audit opinion

### Audit opinion

I intend to issue an unqualified true and fair audit opinion and a qualified regularity opinion on this year's accounts, once you have provided me with a Letter of Representation (see below).

My proposed audit report is set out in **Appendix 3**. The audit report explains that the regularity opinion for 2024-25 is qualified. In line with prior years, the regularity opinion is qualified because the Health Board did not meet its revenue resource allocation over a three-year period ending 31 March 2025.

I also intend to issue a substantive report which explains why my audit opinion in respect of the regularity of expenditure is qualified. This report will also refer to the fact that the Health Board has met its financial duty to have an approved three-year integrated medium-term plan for the period 2024-25 to 2026-27.

### Letter of representation

A Letter of Representation is a formal letter in which you confirm to me the accuracy and completeness of information provided to me during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letter I am requesting you to sign is included in **Appendix 4**, the contents of which are in line with our standard request for representations.

## Recommendations

Further to my certification of the annual report and accounts, I will issue a separate report with my detailed findings, audit recommendations and management's responses. The report will also provide an update on management's progress with my previous audit recommendations. The report will be considered at the next meeting of the Audit and Risk Committee.

# Audit team and ethical compliance

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The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

## Exhibit 1: my local audit team

**Engagement Lead**                      Anthony Veale  
[anthony.veale@audit.wales](mailto:anthony.veale@audit.wales)

**Audit Manager**                         Mark Jones  
[mark.jones@audit.wales](mailto:mark.jones@audit.wales)

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**Audit Lead**                                 Steve Stark  
[steve.stark@audit.wales](mailto:steve.stark@audit.wales)

## Compliance with ethical standards

I confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

# Appendix 1 – Audit risks and outcomes

My Audit Plan set out the risks of material misstatement and irregularity for the audit of the Health Board's accounts. **Exhibit 2** lists these audit risks and sets out how they were addressed as part of the audit. No additional audit risks have been identified since that need to be brought to your attention.

## Exhibit 2: audit risks and areas of focus reported previously, work done and outcome

Audit risk	Work done	Outcome
<p><b>Risk of management override</b></p> <p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].</p>	<p>The audit team:</p> <ul style="list-style-type: none"><li>• tested the appropriateness of journal entries and other adjustments made in preparing the financial statements;</li><li>• reviewed accounting estimates for bias; and</li><li>• evaluated the rationale for any significant transactions outside the normal course of business.</li><li>• Further to these audit procedures, I may add additional procedures to address any specific risks of management override that are not addressed by the mandatory work above.</li></ul>	<p>My audit work did not identify any instances of management override of controls.</p>

### **Failure of first financial duty**

There is a significant risk that the Health Board will fail to meet its first financial duty to break even over its statutory three-year rolling period; against its revenue and capital resource limits. In April, the Health Board's month 12 financial reporting to the Welsh Government set out:

- a revenue year-end surplus of £100,000 for 2024-25, which would result in a deficit of some £24.272 million for the three years to 31 March 2025; and
- a capital year-end surplus of £63,000 for 2024-25, which would result in a surplus of £140,000 for the three years to 31 March 2025.

The current financial pressures increase the risk that management judgements and estimates could be biased in an effort to meet its resource limits and/or other key financial targets agreed with the Welsh Government. If the Health Board fails to meet its three-year resource limit for revenue and/or capital, I would expect to qualify my regularity opinion on the 2024- 25 financial statements. I

### The audit team

- monitored the Health Board's financial position for 2024-25 and the cumulative three-year position to 31 March 2025.
- considered the cumulative impact of any relevant uncorrected misstatements over the three years to 31 March 2025;
- undertook appropriate classification and cut-off testing across revenue and capital expenditure; and
- reviewed older accruals.

My audit work confirmed that for revenue expenditure the Health Board did not meet its first financial duty to break even for the three-year period to 31 March 2025. Capital expenditure for the same period was within the capital resource limit.

would also expect to place a substantive report on the statements to explain the basis of the qualification and the circumstances under which it had arisen. Your current financial pressures increase the risk that management judgements and estimates could be biased in an effort to achieve the financial duty

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**Related party disclosures**

The financial statements must disclose any related party relationships along with the transactions and year-end balances between the Health Board / NHS Wales Joint Commissioning Committee and the other body or party. The Health Board/ NHS Wales Joint Commissioning Committee have many relationships that could be considered a related party. Many are well known, for example, Welsh Government as funder. However, where related party relationships arise via individual officer or member relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and we consider them to be material by their nature. There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.

My audit team:

- reviewed management's process for identifying related party relationships and associated transactions and balances;
- undertook procedures to confirm the completeness of related party relationships; and
- Ensured that disclosures are complete, accurate, consistent with evidence and are in accordance with requirements.

My audit work did identify material misstatements in the related party disclosures, which were corrected and are set out in **Appendix 2**.

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### **Remuneration report disclosures**

There have been some new permanent and interim appointments to senior officer and board member posts during 2024-25 which need to be captured in the remuneration report. There is a risk that these are not appropriately disclosed in the remuneration report as remuneration paid to senior officers and board members continues to be of high interest and is material by nature. We have also previously identified material issues with these disclosures. The remuneration paid to senior officers and board members continues to be of high interest and is material by nature. Therefore, there is a risk that even low value errors in the disclosure could result a material misstatement. There is also the risk of material irregularity if any senior officers are remunerated above Welsh Government's pay bands, which are without Welsh Government's approval.

My audit team:

- Gained an understanding of the movements in the senior management team during 2024-25;
- ensured that remuneration disclosed is consistent with supporting evidence;
- ensured that amounts paid are consistent with those approved by the Board and are in accordance with Welsh Government pay rates and approved by Welsh Government where needed; and
- ensured that disclosures are complete based on the team's knowledge and are prepared in accordance with requirements.

My audit work did not identify any material misstatements in the remuneration report disclosures.

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### **Valuation of property assets**

The value of property assets reflected in the balance sheet and notes to the accounts are material estimates. Property assets are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity, depending on the specialist and management assumptions, and changes in these can result in material changes to valuations. Assets are required to be formally revalued every five years as a minimum, with indexation applied in interim years, but values may also change year on year, particularly where there are ongoing refurbishment projects resulting in subsequent expenditure being capitalised. There is a risk that the carrying value of assets recognised in the accounts could be materially different to the current value of assets as at 31 March 2025.

#### My audit team:

- reviewed the indices used by management for reasonableness;
- evaluated the competence, capabilities and objectivity of the professional valuer who provide indices to management and undertake valuations as necessary;
- tested a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process are reasonable, and the revaluations have been correctly reflected in the financial statements;
- confirmed that indexation has been appropriately applied and has been correctly reflected in the financial statements; and
- tested the reconciliation between the financial ledger and the asset register.

My team also substantively tested a sample of impairments and reclassifications that were linked to revaluations.

My audit work did not identify any material misstatements in the valuation of property assets.

**Provisions**

The financial statements include provisions for legal obligations, particularly in relation to clinical negligence. Cwm Taf Morgannwg University Health Board – Detailed Audit Plan 2025 14 There is a significant degree of subjectivity and uncertainty in the measurement and valuation of these provisions. This subjectivity and uncertainty increase the risk of material misstatement.

**My audit team:**

- reviewed management’s estimation process for the valuation of provisions;
- considered the competence, capability and objectivity of the management experts who are prepare the estimates; and
- ensured that disclosures are in accordance with the FReM and Welsh Government’s Manual for Account.

My audit work did not identify any material misstatements in the provisions.

**Remedial works to the Princess of Wales hospital**

The Health Board has been undertaking significant remedial works to its Princess of Wales Hospital, with anticipated costs of some £28 million. There is a risk that the works are not accounted for correctly, for example in terms of:

- the relevant year of account being applied, particularly for any costs incurred around the financial year end; and
- the classification of revenue and capital costs being appropriate.

My audit team:

- reviewed the nature, in accounting terms, of the contracted works;
- reviewed and test in-year transactions;
- reviewed and test year-end balances, including any that are estimated; and
- ensured that the accounting is in accordance with the FReM and Welsh Government's Manual for Accounts.

My audit work did not identify any material misstatements in the valuation of accounting for the remedial works.

## Appendix 2 – Summary of corrections made

I identified the following non-trivial misstatements that have been corrected by management, but which I consider should be drawn to your attention.

Value of correction	Accounts area	Explanation
£41.37m	Note 9.1 Staff Costs	There was an error in the working paper formula that resulted in SLE Employer costs being omitted from the Note to the Accounts. This error affected only the disclosure note and the correction does not impact the overall outturn for the year.
Various	Note 3.2 Expenditure on healthcare from other providers	There was an error in the formulae in the Excel based accounts, which resulted in certain consolidated figures not being calculated correctly. This error did not affect the core expenditure figures or the overall total of consolidated expenditure, only the analysis between certain line items.
Various	Note 30 Related Party Transactions	<u>Cwm Taf Morgannwg</u>

The income and expenditure with related parties was incorrectly disclosed on a cash basis rather than an accruals basis. There were also five related parties that were removed due to there being no significant control, and some other minor amendments.

Joint Commissioning Committee

There were five related party disclosures that were removed due to there being no significant control.

The expenditure with one related party was reduced by £28,788

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£1.32m

Statement of Changes in Taxpayers' Entity

The figure disclosed in the accounts for the revaluation reserve did not agree to the supporting working papers. The relevant corrections were made to the Revaluation Reserve. The error affected only the disclosure note and the correction does not impact the overall outturn for the year.

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Various	Foreword Statement of Changes in Taxpayers' Equity Cashflow Statement Note 1 Accounting Policies Note 3.1 Expenditure on Primary Healthcare Services Note 9.5 Exit Packages Note 10 Public Sector Payment Policy Note 11.3 ROU Assets Note 34 Other Information Remuneration Report	Various minor narrative disclosure amendments were required within these Notes.
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# Proposed audit report – CTMUHB 24-25 Consolidated Annual Report and Accounts

## Appendix 3 – Proposed audit report

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### 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 Cwm Taf Morgannwg University Health Board (CTMUHB) for the year ended 31 March 2025 under Section 61 of the Public Audit (Wales) Act 2004.

The financial statements include the activities of the Cwm Taf Morgannwg University Health Board and its hosted body, the NHS Wales Joint Commissioning Committee (collectively referred to in this report as the bodies). They comprise the Statement of Comprehensive Net Expenditure (CTMUHB Activities and Consolidated), the Statement of Financial Position (CTMUHB Activities and Consolidated), the Cash Flow Statement (CTMUHB Activities and Consolidated), the Statement of Other Comprehensive Net Expenditure, and the 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 the bodies as at 31 March 2025 and of their 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 matter 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 CTMUHB's financial statements because the Health Board has breached its revenue resource limit by spending £24.276 million over the amount that it was authorised to spend in the three-year period 2022-2023 to 2024-2025. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page [xx](#)

#### 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 and regularity of public sector bodies 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 twelve 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 the bodies 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 CTMUHB 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 Ministers' directions; and;
- the information given in the Performance and Accountability Reports specify the other information provided with the financial statements 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 bodies and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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;

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## Audit of Accounts Report – Cwm Taf Morgannwg University Health Board

- 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 the Directors', Chief Executive's, and Chief Commissioner's Responsibilities, the Directors and the Chief Executive of the Board and the Chief Commissioner of the Joint Commissioning Committee 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 and Chief Commissioner 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 bodies' 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 or Chief Commissioner anticipate that the services provided by the bodies 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 the bodies' 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: revenue recognition, expenditure recognition, posting of unusual journals and (add as appropriate to the audit);
- Obtaining an understanding of the bodies' frameworks of authority as well as other legal and regulatory frameworks that the bodies operate 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 the bodies; and
- Obtaining an understanding of related party relationships.

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

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## Audit of Accounts Report – Cwm Taf Morgannwg University Health Board

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Risk Committees and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board and Joint Commissioning Committee; 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 bodies' 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](http://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 my Report on pages **xx to xx**.

**Adrian Crompton**  
**Auditor General for Wales**  
**27 June 2025**

**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 Cwm Taf Morgannwg University Health Board's (the LHB's) financial statements. I am reporting on these financial statements for the year ended 31 March 2025 to draw attention to a key matter for my audit. The matter is the failure against the first financial duty and consequential qualification of my 'regularity' opinion. I have not qualified my 'true and fair' opinion in respect of the matter.

#### Financial duties

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

For 2024-25, the LHB failed to meet the first 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 2022-2023 to 2024-2025.

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 £4,375 million by £24.276 million.

Where an LHB does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. 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 spend.

### Achieving 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. A LHB will be deemed to have met this duty for 2024-2025 if it submitted a 2024 to 2026-2027 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 meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2024 to 2026-2027

**Adrian Crompton**

**Auditor General for Wales**

**27 June 2025**

# Appendix 4 – Letter of representation

[TO BE PREPARED ON CTMUHB LETTERHEAD]

Letter of representation

Auditor General for Wales

Audit Wales

1 Capital Quarter

Tyndall Street

Cardiff

CF10 4BZ

26 June 2025

## **Representations regarding the 2024-25 financial statements**

This letter is provided in connection with your audit of the 2024-25 consolidated financial statements (including that part of the Remuneration Report that is subject to audit) of Cwm Taf Morgannwg University Health Board (including the transactions and balances of the NHS Wales Joint Commissioning Committee) for the year ended 31 March 2025.

The letter is for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## **Management representations**

Responsibilities

As the Chief Executive and Accountable Officer and the Interim Chief Commissioner and Accountable Officer, we have fulfilled my respective responsibilities for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, we are required to:
  - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
  - make judgements and estimates on a reasonable basis;

- state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
- prepare them on a going concern basis on the presumption that the services of the Health Board and the Joint Commissioning Committee will continue in operation;
- ensuring the regularity of any expenditure and other transactions incurred; and
- the design, implementation and maintenance of internal control to prevent and detect error.

#### Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- our knowledge of fraud or suspected fraud that we are aware of and that affects the Health Board and/or Joint Commissioning Committee, and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
  - our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
  - our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
  - the identity of all related parties and all the related party relationships and transactions of which we are aware.
  - our knowledge of all possible and actual instances of irregular transactions.

#### Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no non-trivial misstatements within the accounts which remain uncorrected.

### **Representations by the Board of CTMUHB**

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 26 June 2025.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

**Signed by:**

**Signed by:**

**Signed by:**

**CTMUHB  
Accountable  
Officer**

**NHS Wales JCC  
Accountable Officer**

**CTMUHB Chair**

**26 June 2025**

**26 June 2025**

**26 June 2025**

# Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



## Our People

- Selection of right team
- Use of specialists
- Supervisions and review



## Arrangements for achieving audit quality

### Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



## Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

# Supporting you

Audit Wales has a range of resources to support the scrutiny of Welsh public bodies, and to support them in continuing to improve the services they provide to the people of Wales.

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Website: [www.audit.wales](http://www.audit.wales)

We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

