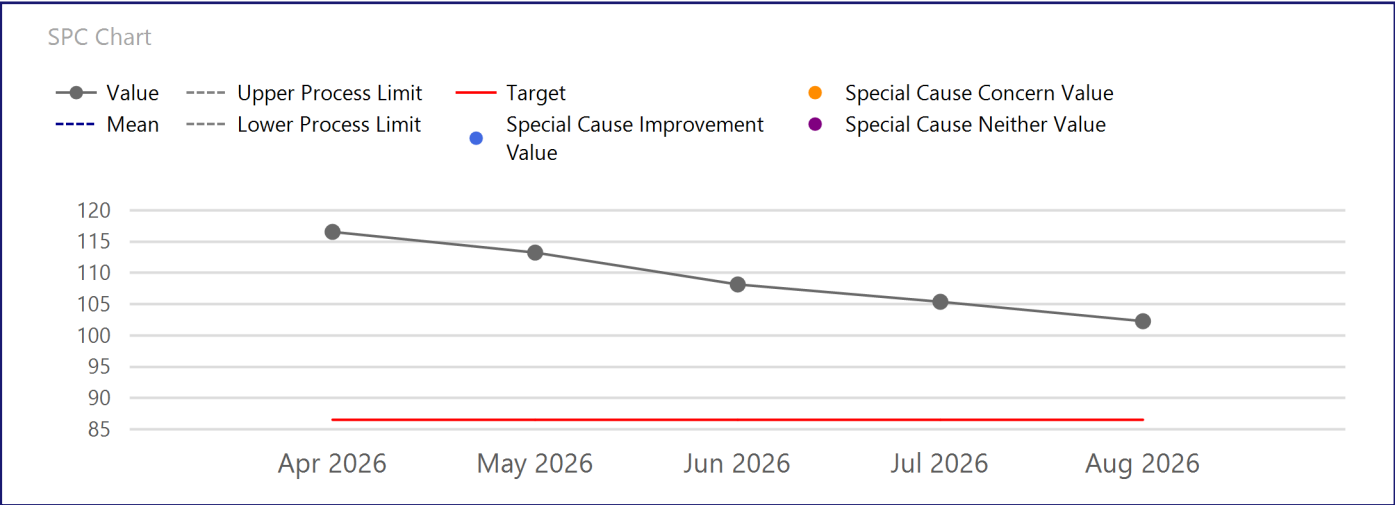


Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	102.3	86.55			Executive Director of Finance



Narrative

The £86.5m planning deficit needs to be derisked at pace. At month 5 there was a £17.9m in year shortfall in risk assured against the core £42.5m savings target. £20.0m of red-rated schemes have been identified; however, at this stage the UHB does not have sufficient assurance regarding the level of delivery that will be achieved from these schemes within the current financial year.

There are not yet schemes in place to deliver the JCC £5.1m 2% efficiency target. Discussions and work are ongoing with the JCC in order to drive savings identification and delivery.

Actions and Owners

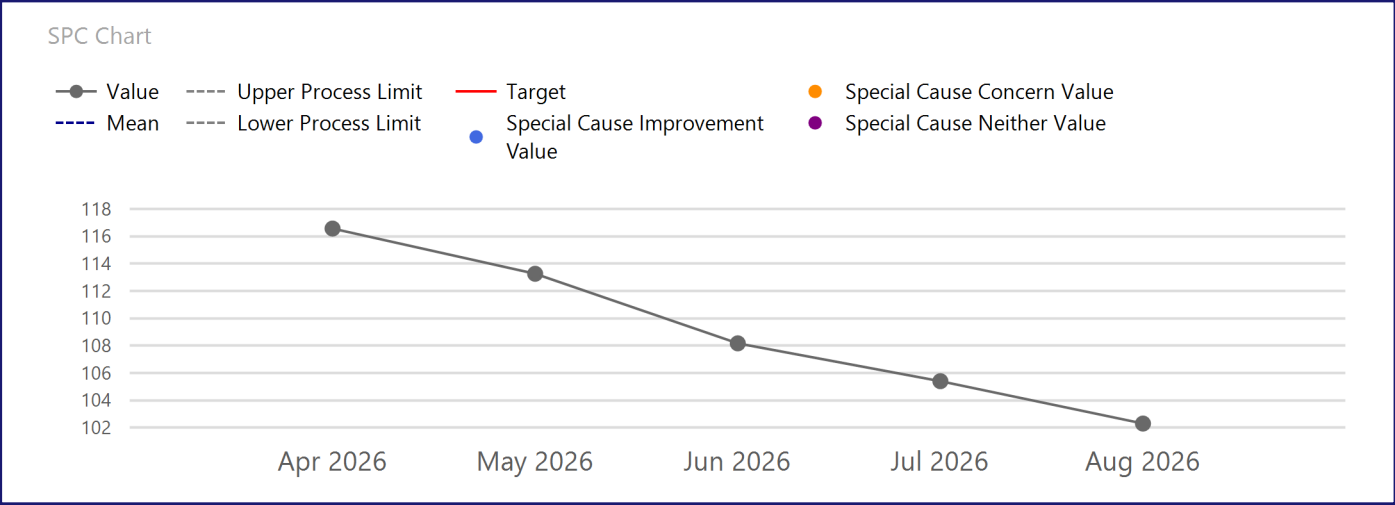
Executive-led turnaround meetings have been established with each Clinical Board and Service Board to support the delivery of both in-year target control totals and recurrent financial sustainability. These arrangements provide a structured forum for the identification and progression of mitigating actions, including the management of current and emerging operational pressures.

In addition, the UHB has engaged external consultants to build on and accelerate previously completed transformation work. The support is intended to provide assurance regarding the achievement of the planned 2026/27 deficit position, while also driving recurrent efficiencies and contributing to a sustainable reduction in the UHB's underlying deficit.

Concerns

Progress in developing and implementing additional savings plans must accelerate to ensure the UHB can achieve its planning deficit target of £86.5m

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	102.3				Executive Director of Finance



Narrative

The UHB is forecast to breach its statutory three-year break even duty. Ongoing delivery of savings plans and financial control measures are essential to improving the financial position over the medium term.

Actions and Owners

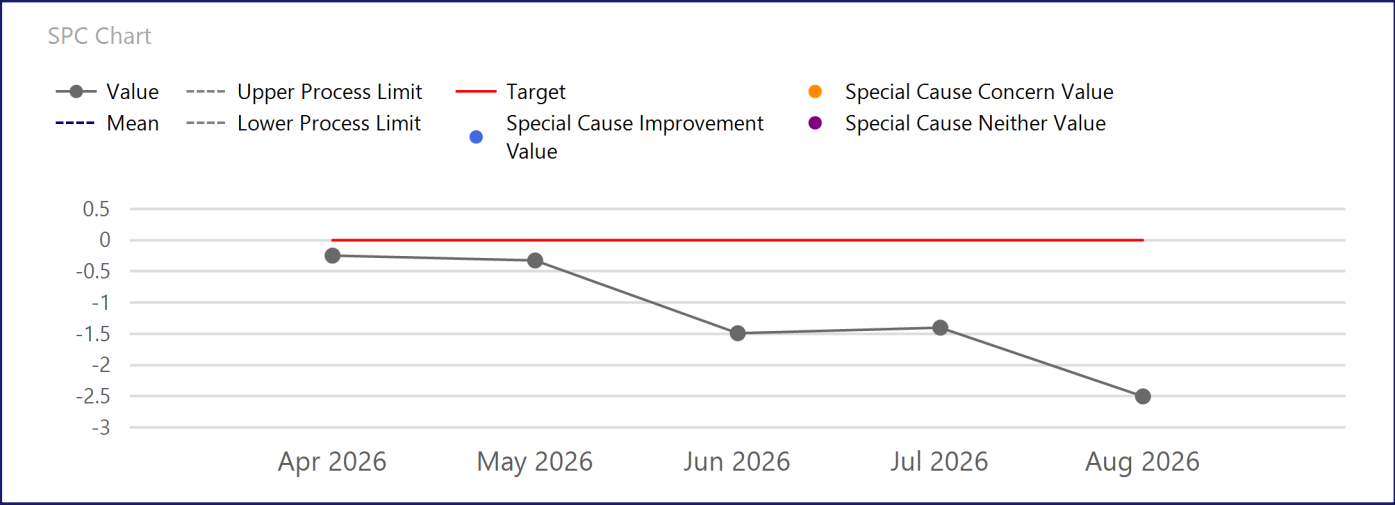
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In addition, the UHB has engaged external consultants to build on and accelerate previously completed transformation work. The support is intended to provide assurance regarding the achievement of the planned 2026/27 deficit position, while also driving recurrent efficiencies and contributing to a sustainable reduction in the UHB's underlying deficit.

Concerns

Based on the current forecast, the UHB is not expected to achieve its statutory break even duty and will require additional financial support from Welsh Government.

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	-2.5	0			Executive Director of Finance



Narrative

The UHB is reporting an overspend of £43.1m, comprising a planned deficit of £36.1m, representing five twelfths of the £86.5m deficit set out in the UHB's Financial Plan, together with an £9.6m shortfall against the savings programme. This is partially offset by an operational surplus of (£2.5m).

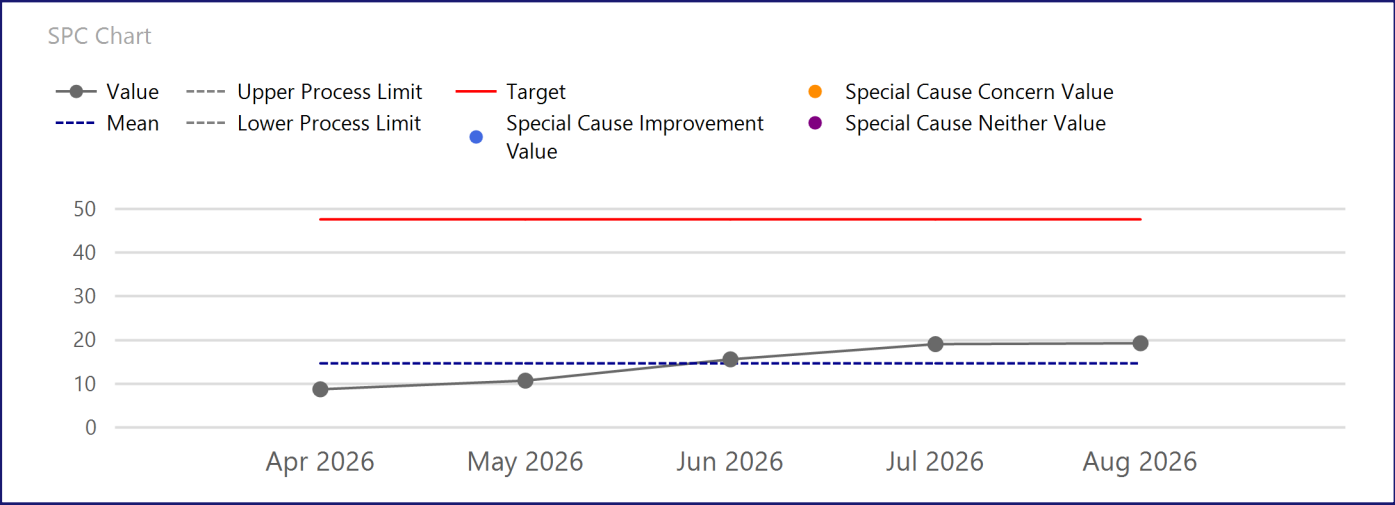
Actions and Owners

It is expected that all unplanned cost pressures arising during 2026/27 will be matched by corresponding mitigating actions, enabling the UHB to deliver the planned deficit of £86.5m as set out in the submitted Financial Plan.

Concerns

The operational surplus is primarily driven by workforce vacancies and is partially mitigating the impact of the identified savings shortfall.

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	19.3	47.61			Executive Director of Finance



Narrative

£19.3m of recurrent savings were identified at month 4 leaving a gap of £23.2m against the £42.5m core recurrent target. There are not yet schemes in place to deliver the JCC £5.1m 2% efficiency target.

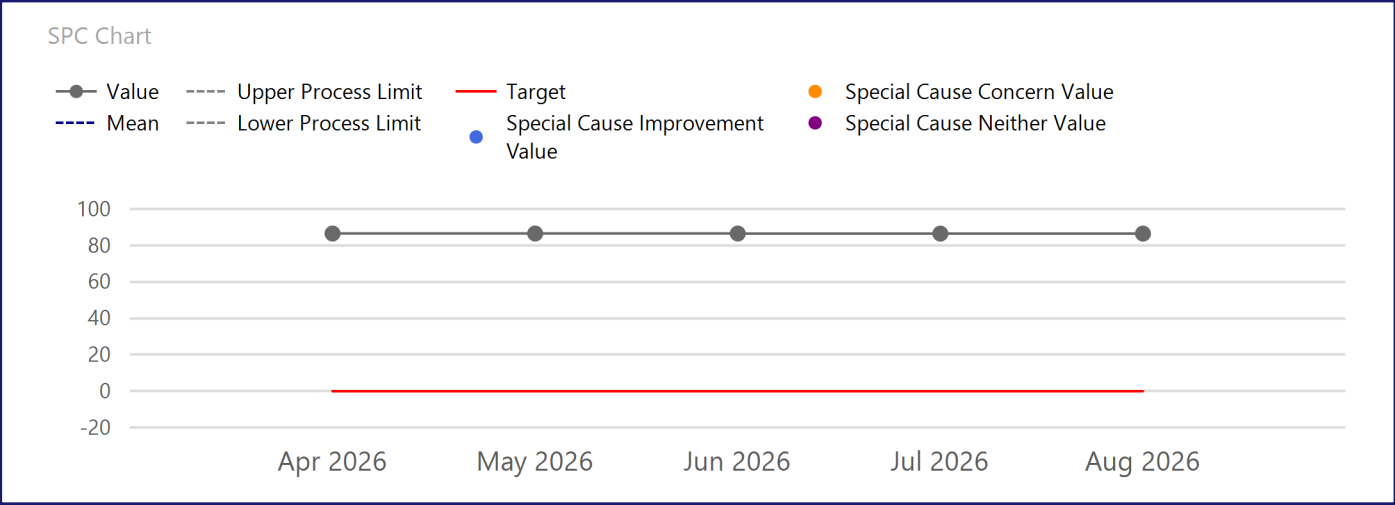
Actions and Owners

Further action is required to meet the recurrent targets and the UHB will continue to press all parts of the organisation to agree urgent actions that will accelerate savings to mitigate the ongoing risk.

Concerns

A gap of £23.2m is currently reported against the £42.5m core recurrent savings target. In addition, a further £5.1m shortfall is reported against the JCC efficiency target. In the absence of further mitigating actions, these shortfalls will increase the UHB's underlying deficit and place additional recurrent financial pressure on the organisation as it enters the next financial year.

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	86.5	0			Executive Director of Finance



Narrative

In due course, the UHB expects to seek Finance Committee and Board approval to request £86.5m strategic cash support from Welsh Government to cover the cash shortfall arising from the forecast deficit.

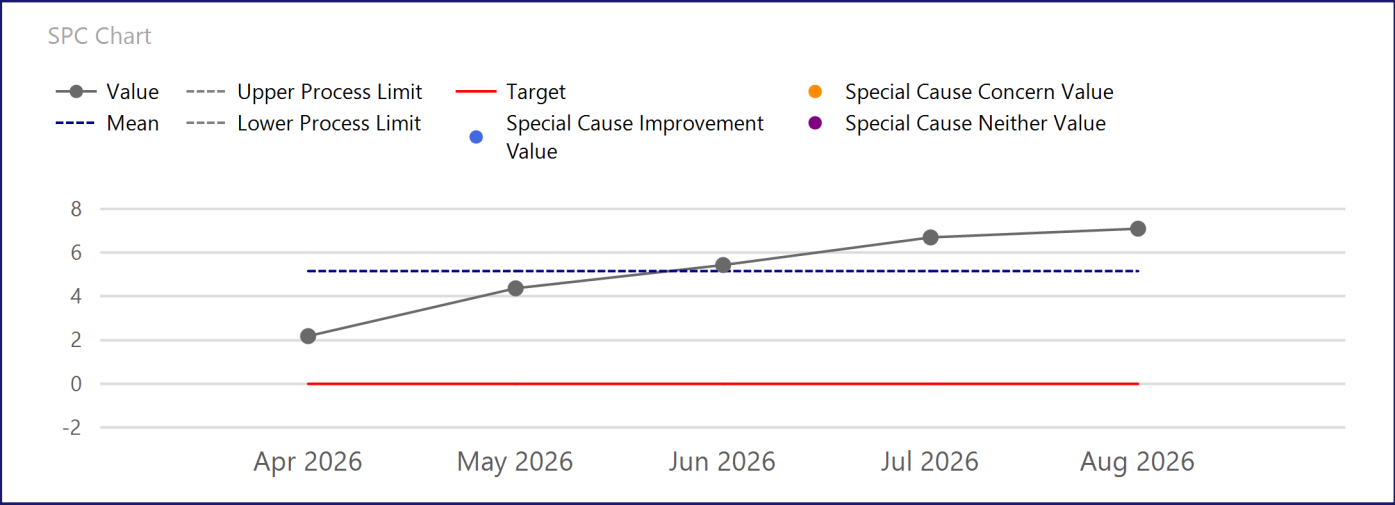
Actions and Owners

Options to manage cash pressures include accelerating the delivery of savings schemes, strengthening expenditure controls, reviewing and re-phasing capital expenditure where appropriate, maximising the recovery of income and debtors, and actively managing working capital. The UHB will continue to monitor its cash position closely and work with Welsh Government to ensure sufficient liquidity is maintained throughout the year.

Concerns

The UHB's strategic cash requirement is primarily driven by its forecast deficit. Any deficit incurred in excess of the forecast position will increase the UHB's cash requirement and place further pressure on cash management arrangements.

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	7.1	0			Executive Director of Finance



Narrative

Year to date operational pressures in medical endoscopy, mental health Out of Area (OoA) patients, specialist medical locums, fall in private patient demand offset by pay vacancies, medicines management savings and commissioning performance. In addition, there remains a shortfall in recurrent and in year schemes identified to deliver the planned savings target.

Actions and Owners

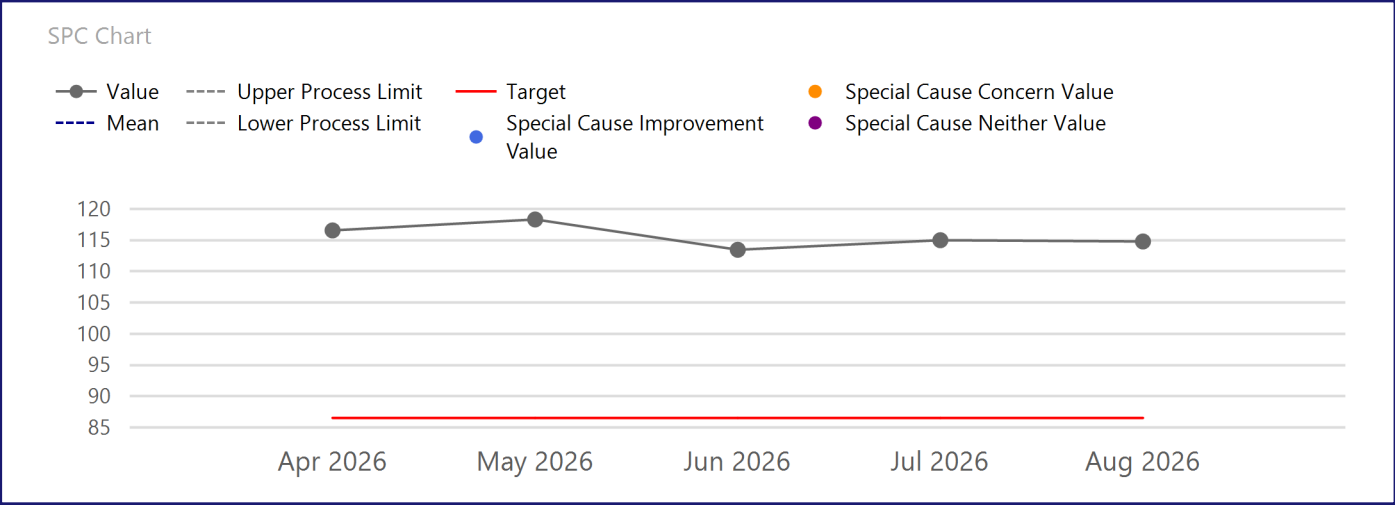
Executive-led turnaround meetings have been established with each Clinical Board and Service Board to support the delivery of both in-year target control totals and recurrent financial sustainability. These arrangements provide a structured forum for the identification and progression of mitigating actions, including the management of current and emerging operational pressures.

In addition, the UHB has engaged external consultants to build on and accelerate previously completed transformation work. The support is intended to provide assurance regarding the achievement of the planned 2026/27 deficit position, while also driving recurrent efficiencies and contributing to a sustainable reduction in the UHB's underlying deficit.

Concerns

It is expected that all unplanned cost pressures arising in 2026/27 will have corresponding mitigations identified to deliver the submitted £86.5m planned deficit. In addition, the full savings target is expected to be delivered through the implementation of identified efficiency schemes and further mitigation measures where required.

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	114.8	86.55			Executive Director of Finance



Narrative

If the gap against the recurrent savings plan is not closed and operational pressures are not effectively managed during the year, the underlying deficit (ULD) will increase materially. This position can only be mitigated through the identification and implementation of robust and sustainable cost reduction measures and other mitigating actions.

Actions and Owners

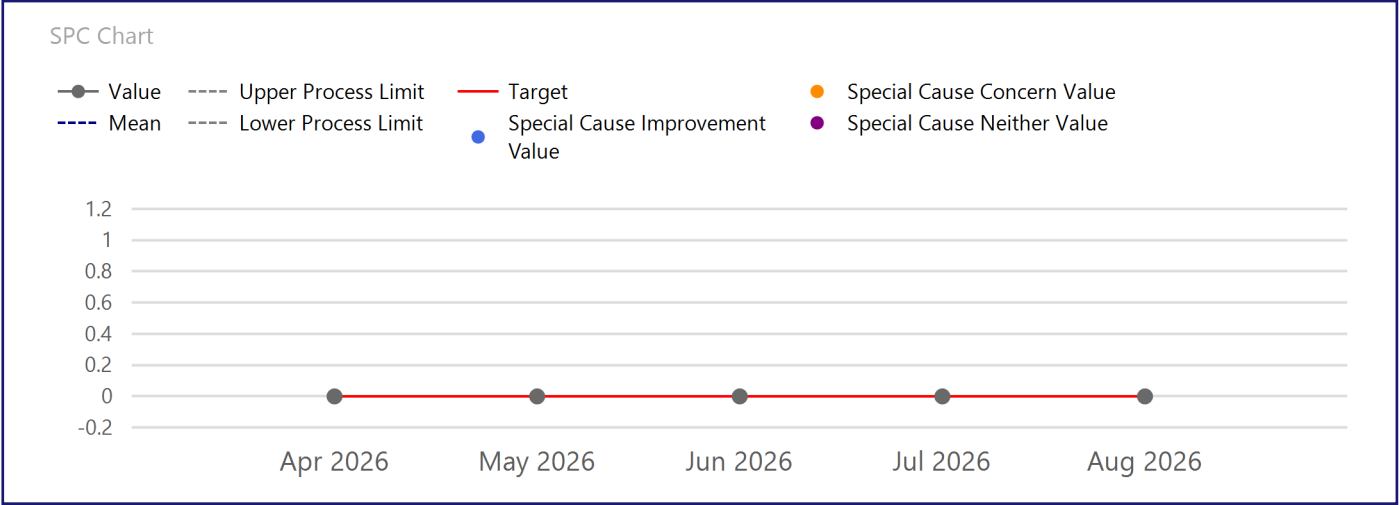
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In addition, the UHB has engaged external consultants to build on and accelerate previously completed transformation work. The support is intended to provide assurance regarding the achievement of the planned 2026/27 deficit position, while also driving recurrent efficiencies and contributing to a sustainable reduction in the UHB's underlying deficit.

Concerns

The UHB's underlying deficit (ULD) has deteriorated in recent years due to a combination of; underlying deficit brought forward; recurrent cost pressures (including inflation); under delivery of recurrent savings and demand-driven pressures in 2025/26.

Latest Month	Value	Target	Assurance	Variation	Metric Owner
August 2026	0	0			Executive Director of Finance



Narrative

As at 31 August 2026, the UHB's approved Capital Resource Limit (CRL) was £46.8m, of which 8% had been expended. Capital expenditure is currently forecast to remain within the approved CRL, with all planned schemes expected to be delivered within the available funding envelope, resulting in a projected year-end variance of nil against the CRL.

Actions and Owners

The Capital Management Group monitors and approves the UHB's capital expenditure plans.

Concerns

There has been a slight delay in the commencement of a number of schemes in 2026/27. The Health Board continues to engage with Welsh Government colleagues regarding a proposed £1.9m reduction in Capital Resource Limit (CRL) funding for the Park View Health and Wellbeing Hub scheme, reflecting anticipated slippage in expenditure during 2026/27.