

Space Utilisation

Final Advisory Report

2025/26

Cardiff & Vale University Health Board



Advisory

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Review Reference

CVU-SSU-2526-14

Fieldwork

March-May 2026

Executive Sign Off

6th August 2026

Audit Committee

1st September 2026

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Executive Summary

Purpose

Optimising space utilisation within NHS Wales is crucial to support improved efficiency, cost reductions and to benefit patient care.

This advisory review sought to evaluate the effectiveness of the management and control of space utilisation within the University Health Board (UHB), share learning across NHS Wales organisations at which this review is taking place, and where possible provide best practice guidance and suggested opportunities for improvement.

The review originated from the 2025/26 internal audit plan, agreed with management, and approved by the Audit Committee.

Overview

The UHB arrangements for managing space utilisation were found to be less mature than those observed in some other NHS Wales organisations. More broadly, NHS Wales remains less advanced than NHS England in terms of the availability of estate data and the maturity of processes used to optimise space utilisation.

Whilst limited data was available within the UHB with which to assess space utilisation and performance against the baseline metrics set out in the Estates Strategy (2018-2028), available headline estate-wide measures indicate the aims of the Strategy have not yet been achieved.

The Estates Strategy, and space utilisation data contained within, is now significantly out of date, but we recognise the challenges in updating this in the absence of an approved clinical services plan. Any update also requires detailed up to date estate condition and utilisation data. We note significant progress in these areas in recent months, with the Clinical Services Plan approved by the Board in March 2026 and Estate Condition surveys recently concluded, both of which will support the UHB in moving forward with an update to the Estates Strategy. The ongoing extensive Community Assets Review aims to map and understand the use of UHB-owned assets in the community, and the services provided within them, to provide a baseline to shape an updated Estates Strategy.

Noting the significant level of backlog maintenance costs identified within the UHB, and continuing pressure on limited Welsh Government capital funds, the UHB, along with the rest of NHS Wales, should aim to prioritise increased understanding of space utilisation to drive strategic planning and improved utilisation of the existing estate going forward. The scale of the challenge ahead is recognised, noting the size of the estate and relatively limited progress made to date in obtaining utilisation data.

Noting the advisory nature of the review, we have not provided assurance ratings or recommendations but have identified several areas for management consideration.

Scope & Assurance Summary

Objectives

Related
Considerations

1	Strategy and Governance: To consider whether the UHB's strategy for space utilisation across its estate is adequately defined and approved. That measurable targets and objectives have been established for the short, medium and long term. That there are supporting policies and procedures in place. That appropriate governance arrangements have been defined and are operating effectively.	1-4
2	Data Capture and Monitoring: That a robust baseline for space occupancy and associated costs has been established, together with robust ongoing monitoring mechanisms. Processes are in place for the ongoing monitoring of space utilisation, to provide up to date data to enable monitoring against performance targets, inform decisions, e.g. via surveys, audits, monitoring software etc. Demonstration that evaluation data is collated from post-completion project reviews to confirm whether new build spaces are being utilised in accordance with the agreed business case objectives. Assess the utilisation of monitoring tools to track space utilisation.	5,6
3	Management and Compliance: Review processes and technological tools for managing space utilisation, including compliance with policies and procedures for space allocation, changes in use, surplus space management, and decision-making around leasing/SLAs to enable optimisation of space. Evaluate the integration of cost considerations in decisions and the assessment of available space in project planning stages.	7,8
4	Performance Evaluation and Reporting: Assess how space utilisation data is used to monitor performance against established targets. Assess how data informs strategic planning for the estate. Evaluate the effectiveness of reporting mechanisms, including actions taken to address under-utilisation.	9

Management Considerations



Themes



Risk Types

- Financial Loss
- Quality or Safety Issues
- Public Perception & Reputational Risk

Findings & Management Considerations

Objective 1: Strategy & Governance

Overview / Summary of Observations

The UHB’s strategic approach to space utilisation is set out in its Estates Strategy (2018-2028), which is aligned with the Shaping our Future Wellbeing Strategy.

The Strategy sets out the UHB’s high level aims for space utilisation and includes a range of baseline metrics against which improvements are sought. We have suggested below that the strategic approach could be strengthened by inclusion of measurable targets against which performance can be tracked, but recognise this may be difficult at this time, until the UHB increases its available utilisation data to fully understand the updated baseline position and scope for improvement.

Plans are set out within the Strategy for the rationalisation of the estate, including consolidation of office accommodation, demolition, disposal and lease management, over the ten-year period.

Whilst the Strategy has been periodically revisited, at Board level, to review progress, it has not yet been updated, recognising barriers including absence of an approved clinical services plan, and up to date estate condition and utilisation data. We note significant progress in these areas in recent months, with the Clinical Services Plan presented to the Board in March 2026 and Estate Condition surveys recently concluded, both of which will support the UHB in moving forward with an update to the Estates Strategy.

The UHB did not have an underlying space utilisation policy or procedures to provide more detailed/operational guidance to support implementation of its high-level plans.

Whilst a defined governance structure was in place, including the Capital Management Group and Digital & Infrastructure Committee, oversight in recent years has focused on delivery of the capital elements of the Strategy, including demolitions and disposals. Wider scrutiny of other elements of the Strategy, including performance against the established baseline metrics for space utilisation, has not been evidenced, and accountability for these aspects was not clear.

The UHB has implemented an Accommodation Working Group to manage service accommodation requests, chaired by the Director of Capital, Estates and Facilities. Whilst the Group is beneficial in providing centralised and consistent control of accommodation, we have identified some potential improvements below.

Management Consideration 1: Estates Strategy

The Estates Strategy (2018–2028) has not been recently reviewed due to the absence of an approved Clinical Services Plan and up-to-date estate condition data. With these now in place, the Strategy could be refreshed.

As part of this update, the UHB could introduce SMART space-utilisation targets, building on the existing baseline metrics to enable meaningful monitoring and accountability.

Establishing a clear timeline and governance oversight for completing the Strategy update would support progress.

Management Response:

The UHB have recently completed a comprehensive condition survey of its estate which along with the development of the clinical services plan will inform a revised estate strategy.

The UHB have an accommodation working group which meets to discuss the allocation of space. In addition, an estate rationalisation programme is being progressed with several buildings vacated some community buildings for sale, whilst others on the UHW site being demolished.

In undertaking the estate rationalisation programme more efficient use is being made with the existing estate. An exercise to improve and maximise the space, particularly in admin areas is being undertaken to identify further opportunities to vacate poor quality facilities.

Target Implementation Date:

The projects are ongoing and full completion is likely to take several years, however it is anticipated that a first draft of the estate strategy will be available in quarter 1 2027/28 subject to the progress with the Clinical Output specification and the direction of travel agreed with WG in relation to the redevelopment of the UHW site.

Management Consideration 2: Space Utilisation Policy / Procedures

The UHB does not currently have a policy or procedure that sets out its approach to space utilisation management. Such documents are currently more common in NHS England than NHS Wales.

Management may wish to consider developing a proportionate space utilisation policy / procedure, which could bring together strategic principles, utilisation targets, governance responsibilities and reporting arrangements, to support a consistent and transparent approach to managing estate capacity.

Management Response:

The HB Accommodation Working Group will discuss the benefits of developing such a document to support the planning and decision-making process relation to accommodation and space utilisation.

Target Implementation Date:

September 2026

Management Consideration 3: Governance and Accountability

Whilst recognising a defined governance structure was in place, including the Accommodation Working Group (AWG), Capital Management Group (CMG) and Digital and Infrastructure Committee, we have not evidenced any specific reporting to these forums over the last two years on matters relating to space utilisation or performance against the baseline metrics set out in the Estates Strategy.

The AWG has specifically focused on consideration of accommodation requests, and does not appear to have a wider remit. Its terms of reference contains a specific requirement to "*report formally, regularly ... to CMG on the Group's activities,*" but no such reporting has been evidenced.

We acknowledge that specific matters relating to the capital programme for disposals/demolitions are routinely reported.

Management may wish to consider whether the remit and interaction of existing governance forums provide sufficient oversight of space utilisation performance across the estate.

Management Response:

Whilst there is no specific accommodation report produced for the aforementioned forums, sufficient information is provided and appropriate approvals received for disposals, demolitions and relocations.

Target Implementation Date: N/A

Management Consideration 4: Accommodation Working Group

The AWG terms of reference were last reviewed in 2023 and would benefit from a refresh. This could encompass the observations above in terms of the limited focus of the Group and its reporting responsibilities.

We further note that whilst the Group is well represented by Capital, Estates and Facilities members, representatives from some operational areas have not routinely attended in recent months (for example IT, Children & Women's). This may reduce the effectiveness of the Group in representing interests on a UHB-wide basis.

Management Response:

The AWG will review the Terms of reference as suggested.

Target Implementation Date:

September 2026

Objective 2: Data Capture & Monitoring

Overview / Summary of Observations

The Estates Strategy set out baseline metrics in key areas of its estate, including (most relevant to this review) space utilisation and functional suitability. The Strategy stated that *"The UHB is implementing a programme of disposing of obsolescent estate and consolidating services into larger but fewer buildings, which will see the reported metrics change significantly over the period this strategy covers"*.

A snapshot of performance using the Estates Strategy baseline and most recent EFPMS (Estates & Facilities Performance Management System) data, shows the following:

Year	2018 (Estates Strategy)	2024/25 (EFPMS)	Trend
Space Utilisation	88.1%	83%	-5.1%
Functional Suitability	57.2%	70%	+12.8%

Management acknowledge the difficulties in obtaining accurate data in these areas, with headline figures (as above) not supported by detailed underlying information (recognising this was also the case in the other NHS Wales organisations reviewed).

The availability of space utilisation data across the NHS Wales estate is a barrier to effective planning. Recognising the limited data held by NHS Wales organisations (including Cardiff & Vale), NWSSP: Specialist Estates Services (SES) were asked by Welsh Government to assist organisations in obtaining useable data, via application of the OccupEye monitoring system. The service is provided free of charge to NHS Wales organisations. To date, C&VUHB have made limited use of this free service and there may be benefits to considering wider application of this to inform future planning. We note that where projects have been undertaken at other organisations, they often reveal significantly under-utilised space far in excess of the headline figures reported via EFPMS on a UHB-wide basis.

We do recognise however the ongoing Community Assets Review, an extensive project which aims to map and understand the use of UHB-owned assets in the community, and the services provided within them, to provide a baseline to shape an updated Estates Strategy.

Whilst we have evidenced periodic reporting of progress against the estate rationalisation programme, as noted in **Objectives 1 and 4** (and associated **Management Considerations 3 and 9**) we have not evidenced any wider reporting of progress against the performance goals set out in the Estates Strategy. The above table indicates progress has not yet been achieved as anticipated.

More broadly, some public sector organisations are exploring approaches to strengthen strategic oversight of property assets, such as the Corporate Landlord Model, which centralises estates budgets, property management and decision-making. A contemporary University Health Board within NHS Wales has recently begun implementing this model, working with a local authority that had previously adopted the approach to draw on lessons learned. As this initiative develops, it may provide opportunities for shared learning across the wider NHS Wales system regarding strategic estate management.

Management Consideration 5: Centralised Data Repository

As the UHB's access to estate data improves, there may be value in creating a centralised repository that brings together key information such as floor areas, occupancy, usage, lease details, and associated costs. This would support more accurate planning and decision-making.

Management Response:

The proposal is noted and some of the detail identified is held within the CEF files, but this would need to be reviewed. In addition to pull all this information together would require additional resource as we currently only have one member of the team responsible for the property asset management.

Target Implementation Date: N/A

Management Consideration 6: Use of the NWSSP:SES OccupEye Service

NWSSP: Specialist Estates Services provides a free service to NHS Wales organisations in the application of the OccupEye equipment and software, and reporting of data obtained, to support opportunities to identify, plan and deliver improved space utilisation (see SES Notification 24/14, 2nd September 2024).

Since 2024, the UHB has only used this service for one project (Woodland House, 2024), which compares unfavourably to utilisation rates from other NHS Wales organisations.

The UHB may therefore benefit from consideration of wider application of this free service to inform its future planning of estate rationalisation.

Management Response:

The UHB have utilised this equipment and whilst it provided some useful data it does not allow for people attending meetings in house who may be away from their desk for an hour or two, or new hybrid working arrangements etc. We have found that physical counts at different times of the day over a period provides the same data if not more useful information.

It has its place but is not sufficiently intelligent above giving some baseline data.

Target Implementation Date: N/A

Objective 3: Management & Compliance

Overview / Summary of Observations

Whilst as noted above (**Objective 1, Management Consideration 2**) the UHB does not have a space utilisation policy or procedure, management of accommodation requests was managed by the Accommodation Working Group (AWG) in line with a defined term of reference.

Whilst a standard process was in place for consideration of service requests, we have made suggestions below to improve the function and efficiency of the process to better support the AWG in its role.

We have also noted at **Objective 1, Management Consideration 3**, that the AWG was not fulfilling its responsibility to report “formally and regularly” to the Capital Management Group on the Group’s activities.

Management Consideration 7: Accommodation Request System

The current accommodation request process is largely manual, with no easily accessible central record of what had been submitted or approved. We also found that forms were sometimes completed with limited information, which reduces the ability for the Accommodation Working Group to make well-informed decisions.

To improve this, the UHB may wish to move towards an electronic accommodation request system. A digital approach would allow services to submit requests more easily, ensure the right approvals are captured, and create a central log of all activity. As part of this shift, the proforma itself could be strengthened to gather more quantitative detail e.g. staffing numbers, working patterns, desk and furniture requirements; so that decisions are based on a fuller and more consistent picture

We understand the Property Manager has also identified the benefits of such a system, and we would encourage the progression of this to improve management in this area.

Management Response:

The AWG developed the application form which gathers sufficient data to provide the background to the requirements and it is then a matter for the clinical board representative to attend the AWG meeting to answer additional questions from the group to enable a decision to be made.

Where CB representation is not made then the Director of Operational planning will advise the panel or refer back to the relevant CB.

The consideration proposed as part of the Audit will be discussed at the next AWG meeting

Target Implementation Date: Agenda item for meeting 14th October 2026

Management Consideration 8: Work Plan

Recognising the Property Manager was relatively new in post, it may be beneficial to produce a ‘work plan’, centralising detail such as goals, targets, timeframes, planned activities etc. across a specific time-period e.g. annual/three-year look ahead. This may assist in the prioritisation of activities, identification of any additional resource requirements etc. and may aid in the monitoring and reporting of progress/achievements in space-related activities.

Management Response: The Head of Estates & Facilities will work with the property manager to develop a work plan to include objectives, outcomes and target dates for consideration by the CMG and ongoing monitoring.

Target Implementation Date: Draft for consideration by AWG meeting 14th October 2026 which will then be presented to CMG at their November meeting

Overview / Summary of Observations

As discussed in **Objective 1**, whilst the Estates Strategy set out baseline performance metrics for space utilisation, it has not defined SMART (specific, measurable, achievable, realistic, timely) targets for improvement (see **Management Consideration 1**).

Whilst we have evidenced routine reporting to key forums of progress against the programme of estate rationalisation projects identified in the Estates Strategy (including disposals and demolitions), this has not included reporting of the impact on performance against the baseline position to assess whether improvements have been achieved. We recognise this is hindered by the currently limited space utilisation data available (see **Objective 2**).

Management Consideration 9: Enhancing Space Utilisation Insights to Support Decision-Making

Noting the limited interaction across relevant forums as noted at **Management Consideration 3**, management may wish to consider introducing periodic reporting on key utilisation indicators and activity in this area to relevant governance forums, including performance against the aims of the Estates Strategy. This could support improved visibility of estate usage patterns and enable more proactive identification of opportunities for optimisation or reconfiguration.

Management Response:

To be discussed at the next available AWG meeting.

Target Implementation Date: 14th October 2026 for initial discussion and to enable a implementation plan to be developed

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

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