Cardiff and Vale UHB

Annual Report

2025 – 2026

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol Caerdydd a'r Fro

Cardiff and Vale University Health Board

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1. Welcome from the Chair and Chief Executive

We are pleased to introduce the Annual Report for 2025–2026, which reflects another year of collective effort, resilience, and ambition across Cardiff and Vale University Health Board (CAVUHB). This report offers a transparent account of the progress we have made, the challenges we continue to navigate, and the priorities shaping our future as we work towards our long-term vision to improve the health and wellbeing of the population we service.

Cardiff and the Vale of Glamorgan continues to change rapidly. Nearly 520,000 people live in the area, and official projections indicate a population growth of around 7% over the coming decade - equating to approximately 35,000-40,000 additional residents. Alongside this growth, there remain stark differences in health outcomes between the least and most deprived communities, reinforcing focus on reducing inequalities and improving population health.

Even with these sustained pressures, teams have delivered more care than ever before. Waiting lists remain a real concern, but we have continued to improve and modernise care delivery providing safe, compassionate and high-quality care, while strengthening the way we plan, prioritise and develop services. During 2025-2026, CAVUHB provided over 930,000 outpatient appointments, supported the delivery of 4,998 babies and there were 206,812 district nursing visits to patients.

We have also strengthened governance and oversight to focus on delivering value and the best use of resources. For example, planned care productivity work has included the adoption of a high-volume, low complexity cataract hub, delivering the ministerial target of a minimum of at least 7 patients per session, having embedded Getting It Right First Time (GIRFT) principles. This has allowed us to significantly reduce cataract waiting times for patients in the region.

We are grateful to Colleagues, partners, volunteers and the public for their commitment, challenge and support. Your insight and involvement remain essential to how we shape services and sustain trust.

As we look forward, culture will be a key theme for the year ahead- restating values, building team capacity and capability, and strengthening psychological safety, so we can learn quickly, support colleagues, and improve transparently wherever issues are identified. The 10-year strategy, "Shaping Our Future Wellbeing", continues to guide the direction of travel, supported by the Strategic Portfolios that help translate long-term ambitions into practical, measurable action. This year we further embedded improving equity in access and outcomes, advancing digitally enabled care, strengthening population health, and building the foundations for modern, sustainable services. The planned focus for 2026–2027, Brilliant Basics, will ensure that the essentials, safe environments, reliable processes, and consistently positive experiences are at the forefront of everything we do.

As we come to the end of the financial year in March 2026, it is important to reflect on the key achievements of the last year, including an update on the delivery of what we set out to achieve in line with the CAVUHB strategic objectives.

Putting People First

This year we have continued to strengthen the commitment to Putting People First by focusing on the culture, wellbeing and everyday experience of colleagues across CAVUHB. Creating an environment where people feel valued, listened to and supported remains central, recognising that compassionate and inclusive workplaces are essential to delivering outstanding care for communities.

As an anchor organisation, we have embraced wider social responsibilities, supported the wellbeing, education and development of colleagues while working with local communities to widen access to employment and opportunity. Through outreach, mentoring and new entry pathways, we are helping people from underrepresented and disadvantaged backgrounds begin and build careers within the NHS.

This year we also introduced the Putting People First Strategic Portfolio Board to bring greater alignment to the work on culture, equality, wellbeing, and workforce sustainability. Alongside delivery of the Strategic Equality Plan, we continued to strengthen leadership and management capability and ensure that staff experience helps shape how we understand and improve culture. Going forward, we will continue to build on this by triangulating data to gain early insight, intervene and provide assurance.

Across Cardiff and the Vale, colleagues at every level continue to play a vital role in shaping culture through their honesty, compassion and professionalism. As we move into the year ahead, we remain focused on creating a Health Board where every colleague feels safe, respected and able to thrive, ensuring values are upheld and enabling us to deliver the best possible care for the people we serve.

Providing Outstanding Quality

We wish to recognise the sustained commitment, professionalism, and resilience demonstrated by colleagues across the organisation, often in highly challenging circumstances. Significant safety improvements have been implemented. The Shaping our Future Quality Excellence programme has progressed throughout 2025-2026, including the implementation of the National Early Warning Score 2 (NEWS 2) to support the timely identification of patient deterioration and appropriate escalation of care. The deployment of an electronic prescribing and medicines administration system marks a substantial advancement in improving medicines safety and enhancing the reliability of care delivery. We also wish to acknowledge the outstanding contribution of palliative care teams, who continue to provide high quality, compassionate care to patients and families at the end of life. You can read more about the Health Board's response to quality escalation and its delivery of the Duty of Quality in the 2025-2026 Annual Quality Report which will be available on the website here following the Annual General Meeting (AGM) in July 2026.

Delivering in the Right Places

During 2025–2026, CAVUHB made significant progress focused on a number of programmes of work.

The Health Board completed the Digital Foundations Programme Business Case and continued development of the five-year roadmap to upgrade digital maturity.

The Digital Infrastructure has been expanded and Wi-fi coverage has been improved to support national programmes including the Welsh Nursing Care Record and electronic prescribing. Work has progressed on the Windows 11 migration and cyber controls have been strengthened through vulnerability

scanning and validation. The move to Cloud based operations has continued along with the telecomms modernisation programme.

Progress continued nationally via mandated programmes, including Electronic Prescribing and Medicines Administration (EPMA), the NHS Wales App and patient administration system upgrades, all critical to improving patient safety, access and experience. Internal data and business intelligence capability was strengthened, reducing reliance on legacy external tools and improving access to performance insight through new dashboards and governance arrangements. Work also commenced on cloud infrastructure, cyber resilience and workforce development to support new digital operating models and improve system reliability.

In infrastructure, a major achievement was completion of a comprehensive estate condition survey, providing a robust, evidence-based assessment of backlog maintenance, infrastructure risk and future investment need. This enabled more informed prioritisation and engagement with Welsh Government. Capital investment during the year addressed high-risk priorities, including replacement of critical plant and equipment, upgrades to digital and Wi-Fi infrastructure, and building safety works, contributing to a reduction in major unplanned estate related incidents compared with the previous year. Progress was also made on estate rationalisation, including disposal of underutilised assets and planning for relocation of legacy services. Early strategic planning commenced for future acute and community estate development, strengthening alignment with the Clinical Services Plan and emerging models of care.

Within Cardiology a full refurbishment of Ward C1 was undertaken to create a modern, larger fit for purpose Cardiology Intensive Care Unit for the University Hospital of Wales site. The new fully compliant facility has been designed to meet the changing needs and demands of Cardiac patients receiving care at the University Hospital of Wales.

As part of an upgrade programme, work was carried out on an internal refurbishment of two main Operating Theatres, the main Theatres Recovery Department and the Theatres Staff Rest room at the University Hospital of Wales. This work benefits staff and patients with an improved environment, upgraded facilities to comply with the latest standards, including Infection Prevention and Control standards.

Rest and welfare facilities were also improved for all theatre staff who work in a very challenging environment ensuring they have adequate and suitable space and facilities to take rest breaks.

There is an ongoing rolling programme to update all passenger and bed lifts within the main tower and ward blocks on the University Hospital of Wales site. By the end of the project 19 lifts will have been fully refurbished ensuring that we have modern, reliable, energy efficient lifts to allow for the smooth transfer of patients, as well as ensuring fast and efficient access throughout the main areas of the site for patient, visitors and colleagues.

Collectively, these developments have strengthened operational resilience and established a more robust platform for delivery and transformation in 2026–2027 and beyond.

Acting for the Future

This year saw the formal establishment of the Shaping Our Future Generations Portfolio, providing oversight of Health Board activity aligned to the Acting for

the Future objective. The portfolio brings together work on climate adaptation and decarbonisation, research, development and innovation, and contribution to the local foundational economy, improving integration across clinical and corporate areas and ensuring risks and opportunities are clearly identified.

In 2025-2026, Cardiff Health Partners was launched as a strategic collaboration between CAVUHB, Cardiff University and Velindre University NHS Trust. The partnership provides a place-based platform to reduce fragmentation, accelerate the translation of research into practice and position Wales as a partner of choice for innovation, investment and talent. By aligning research, healthcare delivery, education and industry partnerships, it aims to improve health outcomes and equity while supporting inclusive economic growth.

The Cardiff Cancer Research Partnership began delivering translational research and early-phase, complex and advanced therapy clinical trials across blood cancers and solid tumours. The Advanced Neurotherapies Centre continues to progress cutting-edge gene therapy studies, with University Hospital of Wales acting as the single UK surgical centre. Cardiff Haemophilia Centre also became the first in Wales to deliver a one-off gene therapy for haemophilia B, significantly reducing lifelong treatment burden.

The All-Wales Medical Genomics Service reached the final stages of implementing its new Genetic Laboratory Information System, improving reporting and efficiency across Wales. Progress was also made through the Sustainability and Climate Response Programme, including re-establishing the Green Group, developing a Biodiversity Plan and launching the Sustainability Ideas Board, with nine projects shortlisted for NHS Wales Sustainability Awards.

Challenges

CAVUHB continues to operate in a challenging environment shaped by demographic change, rising demand, and increasing complexity of need. An ageing population places sustained pressure on services, resources, and infrastructure, while ongoing financial constraints and the need to modernise care settings add further complexity to the delivery of timely, high-quality care.

Much of the estate does not yet provide the therapeutic environments required for modern healthcare, and strengthening infrastructure resilience remains a clear priority for the Board. In this context, the Capital, Estates and Facilities teams have continued to demonstrate strong commitment and progress in improving the estate and supporting the wider organisation.

Against this backdrop, demand for care and support is changing in both scale and complexity. Although Cardiff has the lowest use of care homes in Wales, there has been a 20% increase in high complexity residential and nursing care placements since January 2021, particularly for people living with dementia. Demand for domiciliary care remains very high, with no sign of reduction, driving the costs of care to increase at a rapid rate.

Evidence suggests that the population is not ageing well, with more people living with life limiting illness and rising levels of extreme obesity and increasing numbers of occupational therapy referrals now come from working age adults. Over the next decade, the number of people aged 65yrs+ struggling with activities of daily living is projected to increase by 17%, while the number of people living with dementia is expected to rise by 31%

and those with severe dementia by 37%. These demographic shifts and declines in population health continue to provide an increasingly challenging context against which the health board must plan and deliver more effectively and creatively in order to be resilient and sustainable.

Despite delivering more care than ever before, waiting lists remain a concern and focus the need for continued improvement, reduced variation and waste. Innovative approaches, such as the award winning Waiting Well Service, are helping to support patients while they wait for treatment and to improve outcomes. Seasonal pressures, including the winter respiratory virus season continued to post threats to populations health and organisational resilience but delivery of effective vaccination programmes delivered both in the workplace and across communities, played an important role in protecting patients and colleagues while reducing pressure on services. Flu vaccination uptake among Cardiff and Vale UHB colleagues significantly improved in 2025/26 with a host of drop-in clinics being held across our hospital sites, and vaccination teams roamed hospital wards and departments. Occupational Health, based at Woodland House, also offered open-access flu vaccinations.

According to new figures, 11,283 flu vaccinations were administered to CAVUHB staff in 2025/26 - a substantial rise on the 6,345 given in 2024/25.

During the year, a number of service reviews were reported, attracting significant public and media attention. Service reviews are an important approach to learning and improvement and enable a detailed understanding of often long-term complex challenges. While this scrutiny is an important part of being an open and accountable organisation, we recognise that these reviews, and the associated coverage, have been challenging for colleagues and can undermine the reputation of the organisation. Good progress is being made by the teams and services effected whilst oversight and support will continue.

We are grateful for the professionalism, resilience, and integrity shown by colleagues during this time alongside their commitment and work to improve into the future.

We remain committed to supporting colleagues, being honest about where we need to improve, and learning to strengthen governance, oversight, and quality of patient safety, quality, and experience. The lessons from our work will continue to inform meaningful and lasting improvement, helping to rebuild confidence and ensure services are safe, sustainable, and responsive to the needs of the communities we serve.

We would like to thank all colleagues, volunteers, partners, and stakeholders for their continued commitment and collaboration, as well as the people of Cardiff and the Vale of Glamorgan for their support, challenge, and feedback. While the challenges ahead remain significant, we are confident that by working together we can continue to improve access, care, and experience, support healthier lives, and reduce the unfair differences in health outcomes across communities.

Suzanne Rankin
Chief Executive

Kirsty Williams CBE
Chair

2. Cardiff and the Vale Health Board Profile

2.1 About Us

CAVUHB is one of the largest and most complex healthcare organisations in Wales, providing a wide range of health and wellbeing services to the people of Cardiff and the Vale of Glamorgan, as well as specialist care to patients from across Wales and beyond. Established in 2009, CAVUHB delivers care in community settings, primary care practices, dedicated hospitals, specialist centres, and people's own homes, reflecting our commitment to meeting needs as close to the community as possible.

Each year, we invest significantly in services that support the health of our population. These include:

- **Primary and Community Services:** A broad network of GP practices, dental services, community pharmacies, optometry services, and community therapy teams offering support and early intervention across neighbourhoods.
- **Acute and Specialist Care:** Two major university hospitals and the Children's Hospital for Wales provide a comprehensive range of medical, surgical, and diagnostic services, alongside regionally and nationally commissioned specialist care such as neurosurgery, cardiac services, paediatrics, and other highly specialised areas.
- **Public Health and Prevention:** Our Public Health team works closely with partners to promote healthier lifestyles, support disease prevention, and address the wider factors that shape health and wellbeing across our communities.
- **Tertiary Services:** As a recognised specialist centre, we offer advanced treatments and expertise that serve a wider population across Wales and, in some cases, the UK.

Our role goes beyond delivering healthcare. We support education, training, and research as a University Health Board, partnering closely with academic institutions and contributing to innovation that shapes the future of health services. We are committed to reducing health inequalities, supporting sustainable models of care, and working collaboratively with partners across public bodies, third-sector organisations, and local communities.

Across all services, our goal remains clear: to provide safe, high-quality, and person-centred care, while empowering individuals and communities to live healthier lives and achieve better outcomes.

The diagram below illustrates the various services we provide.

Public Health

Improving the health of our population and reducing inequalities. Providing preventative health care information and advice including access to health and well-being services.

Primary,Community and Intermediate Care

Offering first line health services at GP surgeries, dentists, optomtetrists, pharmacists and a range of therapy and community based services accessible as close to home as possible.

Acute and Tertiary Care

Providing unscheduled or emergency care. Elective care and specialist services to a wider population across Wales, including diagnostics and therapeutic services.

Corporate Services

Providing the support services required to run an integrated health system across Cardiff and Wales ensuring patient safety, governance, quality assurance, performance and excellent delivery of all services.

2.2 The Population We Serve

Nearly 520,000 people live in Cardiff and the Vale of Glamorgan. Recently updated official projections suggest we may see population growth of around 7% in the coming decade, or around 35-40,000 more residents in our area. However, changes in planning, housing or migration policies could all impact this. The proportion of people in our area who are older is likely to continue to increase.

Both Cardiff and the Vale contain some of the most deprived areas of Wales, alongside some of the most affluent.

Over three-quarters of adults (76%) in our area reported being in good or very good health, the highest in Wales. Nearly a third (31%) of people said they were limited by one or more long-term illnesses, though again this was the lowest rate in Wales. Life expectancy for men in our area is nearly 79 years, and for women nearly 83, both above the Wales average, though marginally below the England average.

Within Cardiff and Vale there is a stark difference in life expectancy between people living in our least and most deprived areas. If you live in one of our least deprived areas you can expect to live 8.3 years longer as a woman or 9.3 years longer as a man, than someone in our most deprived areas. Despite a concerted effort to reduce this gap over the past decade, the gap has increased. A society with large differences in health and health outcomes leaves us more exposed and less resilient to future shocks, such as another pandemic or the effects of climate change.

The number of people living with long term conditions is increasing, along with the number of people living with more than one illness. The number of new cases of type 2 diabetes is forecast to increase significantly in the coming decade. It is estimated that over a fifth of deaths in England and Wales are avoidable, due to preventable or treatable conditions, and 40% of cases of dementia could be prevented or delayed through changes in modifiable risk factors.

Many of our most common diseases can be prevented by adopting some key behaviours: a healthy diet; regular physical activity; low alcohol intake and not smoking. Staying up to date with vaccinations is a safe and effective way to prevent many illnesses which could otherwise be life-threatening including serious respiratory conditions and some cancers.

While sometimes changes in behaviour can be brought about through knowledge and willpower alone, in many cases health behaviours are influenced by other factors such as people's environment, education and housing. Therefore, to improve the health of our residents, we also need to tackle these wider determinants in partnership with others.

There is more detailed information on our population's health now and in the future, and our approach to improving health, in our Cardiff and Vale long-term public health plan.

2.3 Our Mission and Vision

Our mission is shaped by a clear and long-term ambition: to support the people of Cardiff and the Vale of Glamorgan to live healthier, longer and more fulfilling lives, with fewer avoidable differences in health and wellbeing between our communities. Looking ahead to 2035, we want everyone, wherever they live and whatever their circumstances, to have an equal chance to thrive, supported by services that are compassionate, timely and grounded in what matters most to them.

We know that delivering this ambition requires more than excellent clinical care. It means preventing illness wherever possible, enabling people to make informed choices about their wellbeing, and addressing the wider factors that shape health across a person's life. It also means ensuring that, when care is needed, it is safe, responsive and consistently high-quality.

As a proud University Health Board, we are committed to remaining at the forefront of research, innovation and advanced treatment. We will continue to build strong partnerships with academic institutions, industry and national programmes so that people across Wales benefit from new technologies, evidence-based practice and world-leading expertise.

We will measure our performance against comparable health systems across the UK and internationally, driving continuous improvement in outcomes and experience.

2.4 Our Strategy

Our strategy, Shaping our Future Wellbeing, can be accessed via the following link: Home - Shaping our Future Wellbeing

This strategy provides us with a high-level description of what we want to achieve by 2035 and the strategic objectives on which we will focus to get us there. Each of the strategic objectives have key milestones with deadlines that will enable us to deliver the Health Board's strategy.

We are a values-driven organisation, and our goals will only be realised if our values are at the heart of everything we do.

We have four strategic objectives, the achievement of which will enable us to realise our vision for better health and outstanding care.

These are:

Putting People First - We will be a great place to train, work and live, where we listen to and empower people to live healthy lives. By 2035, colleagues would recommend us a great place to work, our workforce will reflect the diversity of our communities and more people will be living healthier lives.

Providing Outstanding Quality - We will provide outstanding services which are equitable, timely and safe, where people are treated with kindness and are supported to achieve the outcomes that matter to them. We will have reduced inequities in prevention, improved access to clinical services and clinical outcomes.

Delivering in the Right Places - By 2035 we will be using real time integrated data to inform joint decision making and multi-disciplinary team working, giving people access to and ownership of their data to enable them to manage their health and wellbeing. We will be well on our journey to provide care in the right place, in facilities that are fit for purpose, flexible and promote recovery.

Acting for the Future - We will work to ensure that what we do today does not compromise the wellbeing of our future generations. We will protect the environment and develop and use new technologies, treatments and techniques to provide the best possible health outcomes and sustainable health care into the future. By 2030 we will have reduced the Health Board's carbon footprint by 34% (currently under review) and will have increased our research and clinical innovation activities.

To deliver our strategy we will work in a way that is participatory. This means enabling and empowering people to be involved in shaping our plans and taking an active role in their care and health as equal partners. Co-production is at the heart of how we improve our services, and we will act on regular and timely feedback from those who use and deliver our services. We will actively seek the participation of our partners in the planning and delivery of services – this includes everyone who works in the Health Board, NHS partners, local authority and third sector partners, and university partners. We will participate effectively in the formal partnerships of which we are members – the Cardiff and Vale of Glamorgan Public Services Boards (PSBs) and the Cardiff and Vale of Glamorgan Regional Partnership Board (RPB), our regional service planning and delivery partnerships (South East Wales health boards and, for tertiary and specialist services, our partnership with Swansea Bay UHB), Cardiff University Partnership, and collaborative commissioning partnerships such as the Joint Commissioning Committee (JCC).).

This year we have also seen the creation of the Regional Joint Committee for South East Wales, a legal entity established by the Cabinet Secretary to partner us with Aneurin Bevan University Health Board and Cwm Taf Morgannwg University Health Board to plan and deliver services for the Southeast of Wales.

Prevention will be at the centre of our pathways of care; preventing illness in the first place, intervening early and addressing preventable deterioration when a health condition is diagnosed. We will work in a way that anticipates people's needs, using integrated real-time data to plan and deliver personalised health care and treatment plans for all the family, and using intelligence to accurately predict changing demand to help us plan and manage our services into the future.

2.5 Our Board

As of March 2026, the Board consists of 18 members, comprising Chair, Vice Chair and 8 Independent Members, all of whom are appointed by the Cabinet Secretary for Health and Social Services, who work alongside the Chief Executive and 7 Executive Directors.

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 by holding its meetings in public.

The Board is supported by several Committees, each chaired by an Independent Member.

Committee meetings are held virtually during the year. Members of the public can view recordings of our virtual Committee meetings via our website. The Committees, which meet in public, provide their minutes to each Board meeting to contribute to its assessment of assurance and to provide scrutiny against the delivery of objectives.

Copies of the papers and minutes are available on the Health Board's website (see link: https://cavuhb.nhs.wales/about-us/governance-and-assurance/board-meetings/).

The website also contains a summary of each Committee's responsibilities and Terms of Reference. All actions required by the Board and Committees are included in an Action Log and at each meeting progress is monitored. These Action Logs are also published on the CAVUHB website via the Committee papers.

All Committees annually review their Terms of Reference to support the Board's business, in addition to producing an Annual Report to demonstrate compliance with their respective Terms of Reference. CAVUHB hosts a Forward Plan which is a live planning tool that sets out upcoming items for Boards and Committees, helping coordinate and manage the flow of business across the organisation. It is used daily to ensure that work is planned cohesively and focusses on matters of greatest risk that would prevent us from meeting our strategic objectives. To ensure consistency and links between Committees, the Chairs of Committees and Executive Leads meet regularly to discuss matters arising, ensuring there is co-ordination with business on the ground feeding the relevant Board and Committee meetings via the Forward Plan.

Our Board Members

Independent Members

Kirsty Williams CBE
Chair

Professor Ceri Phillips
Vice-Chair

Susan Lloyd-Selby
Independent Member - Local Authority

David Edwards
Independent Member - Information Communication & Technology

Dr Rhian Thomas
Independent Member - Capital & Estates

Lorna McCourt
Independent Member - Trade Union

Dr Rachna Upadhya
Independent Member - General

Steve Riley
Independent Member - University

Clive Curtis
Independent Member - Community

Judi Rhys
Independent Member - Third Sector

Executive Directors and Officer Members

Suzanne Rankin
Chief Executive

David Fluck
Executive Medical Director

Catherine Phillips
Executive Director of Finance

Emma Cooke
Executive Director of Allied Health Professionals, Health Scientists and community Services Development

Claire Beynon
Executive Director of Public Health

Jason Roberts
Executive Nurse Director

Paul Bostock
Chief Operating Officer

Rachel Gidman
Executive Director of People and Culture

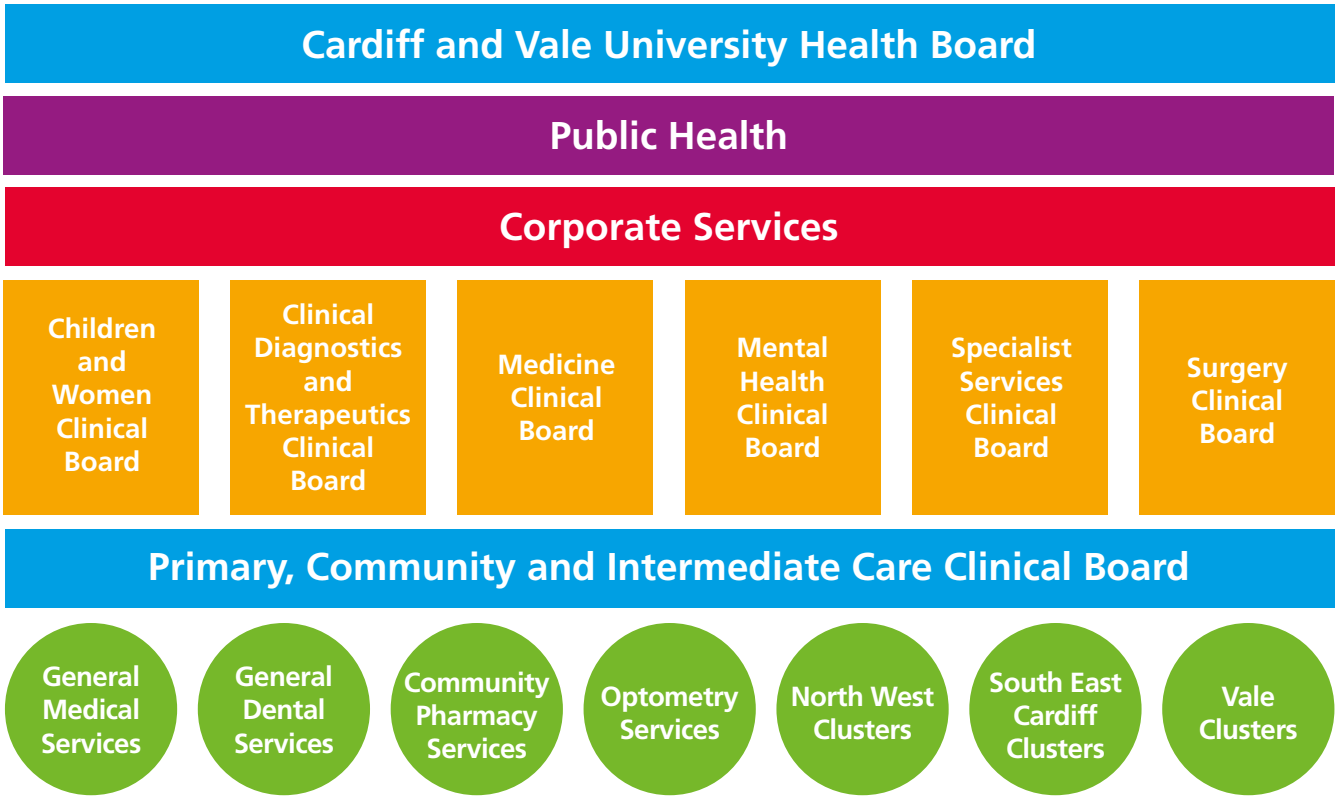
Other Directors

Matt Phillips
Director of Corporate Governance

David Thomas
Director of Digital and Health Intelligence

2.6 Our Structure

We have a workforce of around 17,121 staff (15,080 WTE) who consistently deliver high quality services to all of our patients. Our organisation is structured and designed into seven Clinical Boards which were created in June 2013 and have been successful in providing strong leadership in clinical areas and have resulted in the acceleration of operational decision-making, greatly enhancing the outcomes for patients in their care. The Clinical Boards are held to account via the Executive Directors.



Our corporate and planning services are an integral part of the overall structure and smooth running of the Health Board. These include:

- Strategy, Planning and Commissioning
- Finance including Capital, Estates and Facilities
- Workforce and Organisational Development
- Digital Health Intelligence
- Communications, Arts, Health Charity and Engagement
- Corporate Governance
- Research & Development and Innovation & Improvement

Scrutiny of the Corporate Services directorates is through a combination of governance, Executive Director and senior management accountability and progress is mapped against key projects within their areas of expertise.

2.7 Citizen Voice Body (Llais)

Throughout this year we have worked closely with the Citizen Voice Body (Llais), the national independent organisation established by Welsh Government to give the people of Wales a stronger voice in their health and social care services.

Our collaboration with Llais has included regular discussion about the delivery and development of the services we provide, as well as the circulation of their surveys to ensure wider patient and public engagement. We have also responded to their letters of enquiry in a timely and constructive manner. We value the reports they share with us and are grateful for their advice, challenge and ongoing support.

For more information, please contact:

Llais Cardiff
Parc Ty Glas, Llanishen
Cardiff
CF14 5DU
Telephone: 02920 750112
Email: enquiries@llaiscymru.org

2.8 Innovation and Partnerships

CAVUHB faces ongoing challenges of increasing demand for its services, across all areas, with limited and increasingly precious resources to deliver those expected and required services. As part of the Acting for the Future Portfolio and Shaping Our Future Generations Programme, innovation-linked initiatives look to not only address some of the immediate, real-world challenges but also to identify and action foundational changes that will have longevity and be fit for purpose in the long term. As such, focus continues to be on identifying, developing and adopting solutions not a as single, isolated organisation but as one that strives to build and grow the depth and breadth of its collaborative partnerships internally but externally too, with academia, public, private and third sectors.

Cardiff Health Partners
Partneriaid Iechyd Caerdydd

"I see Cardiff Health Partners as the means to optimise the opportunity to bring, collaborate, amplify and accelerate access to the lifechanging benefits of these new interventions and treatments for the people of South-East Wales as well as globally".

Suzanne Rankin
CEO, Cardiff and Vale University Health Board

An example of this shift in direction is the formation of Cardiff Health Partners (CHP; www.cardiffhealthpartners.org.uk) which is a strategic initiative initially between the Health Board, Cardiff University and Velindre University NHS Trust, as founding

partners. The intention is to align discovery science, healthcare, education, and industry partnerships to accelerate innovation into practice, improve health and equity, and drive inclusive economic growth and regeneration and make Wales a partner of choice for research, innovation, investment, and talent. Whilst still in its formative stages the CHP is already bringing together the partners to support active initiatives such as the Advanced NeuroTherapies Centre (www.brain.wales) that is delivering pioneering research into therapies such as for Huntingdon's Disease.

There has been an amazing advance by Professor William Gray and his team within the Advanced NeuroTherapies Centre - part of Cardiff Health Partners.

The team have delivered a groundbreaking gene therapy through complex neurosurgery all performed within a dedicated MRI scanner at University Hospital of Wales. The specialist team at UHW are unique in the UK, only one of two centres in Europe and five worldwide delivering this trial. They are also currently delivering other gene therapy trials for neurological diseases.

David Fluck, Executive Medical Director, Cardiff and Vale NHS University Health Board

Huntington's Disease Treatment

A recent trial of a new treatment found that patients receiving it experienced 75% less progression of the disease overall. The Advanced Neurotherapeutics Centre (ANTC), funded by Health and Care Research Wales, is the only centre in the UK that can perform the surgeries included in the trial – utilising world leading neurosurgical expertise in the delivery of gene therapies to the brain. This has significant scale potential, helping to improve the quality of life for a devastating condition.

Partneriaeth Ymchwil Canser Caerdydd | Cardiff Cancer Research Partnership

The Cardiff Cancer Research Partnership (CCRP; www.ccrp.org.uk) is focussed on maximising opportunities around fundamental and bi-directional translational research in the cancer space that complements current delivery of clinical services and innovation and in formalising streamlined bench-to-bed pathways. With the same partners as CHP, the CCRP is bringing together the resources, knowledge and expertise - current and future - to allow for patients, workforce and resources to flow across organisational boundaries and act as an attractor to industry, funders and other researchers.

Colleagues across CAVUHB continue to develop innovative, often award-winning initiatives that are strengthening our services—thank you, and congratulations to all involved.

The Perioperative Care of Older People Undergoing Surgery (POPS) project, initially supported by the Bevan Commission, has continued to grow and is now spreading across Wales. It supports older surgical patients, including those with cognitive

impairment, through comprehensive geriatric assessment and multidisciplinary care planning. This approach reduces length of stay and improves outcomes, with estimated NHS savings of over £5m nationally. The team's impact was recognised with the Professor Sir Mansel Aylward Innovator Award.

POPS team receiving the Sir Mansel Aylward Innovator Award
Image Credit: Bevan Commission

Similarly, Wales Digital Rare Care Centre team won the Excellence in Digital Health and Innovation category at the Wales Healthcare Awards. In partnership with NHS Performance and Improvement (Rhiannon Edwards) working with other NHS Wales colleagues and a commercial partner, CareCircle, the team are pioneering the use of a digital platform that enables patients, their clinicians and support circle better manage conditions and put people back in charge of their health; especially in the area of rare diseases.

Wales Digital Rare Care Team and partners celebrate their win in the Digital Health and Innovation category at the Wales Healthcare Awards
Image credit: Wales Healthcare Awards

Partnership was also a key theme in recent success at the MediWales Awards. Celebrations reflected colleagues working with other organisations across diverse initiatives, including the QuicDNA team using genomic analysis of blood samples to guide timely lung cancer treatment (now expanding into other cancers via QuicDNA Max); the ANCLE Café, where Cardiff Metropolitan and community partners worked with colleagues to blend education, wellbeing, health and social care in a supportive space offering expert wound care and building confidence in self-care; and the Cardiology and Lipid Management Team, which co-produced a service, supported by four industrial partners, to enable patients to receive comprehensive, personalised therapies after a heart attack or coronary event.

CAVUHB Cardiology and Lipid teams receiving their MediWales Judges Award Image
Credit: MediWales

2.9 Research and Development (R&D)

CAVUHB is proud to be recognised as the largest NHS research organisation in Wales. Each year, CAVUHB supports hundreds of studies across nearly all clinical areas, ranging from early-phase trials of innovative therapies to observational studies aimed at enhancing everyday care.

CAVUHB's research activity continues to grow. In 2025-2026, a total of 226 new studies were opened, representing a 14% increase on the previous year's performance. This includes a notable increase in commercial research activity by 40%. Through this activity we have recruited 5176 participants.

Annual patient feedback surveys highlight the tangible benefits of research for participants. Patients frequently praise the friendly, knowledgeable and empathetic staff, noting improvements in health and comfort during their involvement in trials. Notably, 87% of participants expressed willingness to take part in future studies, reflecting the positive experience and trust in CAVUHB's research teams. One participant commented;

"Everyone has been absolutely amazing. Caring, considerate and empathetic. Always available for support and have helped me beyond my expectations.
Thank you!"

Through the Acting for the Future Portfolio, Shaping Our Future Generations Programme, and the NHS framework for research and development, CAVUHB is working to embed research as a core element of NHS business. Where research is embraced and integrated into services, and becomes a core part of organisational culture, patients receive care that is safe, effective and evidence-based.

Impactful Research

CAVUHB recognises the vital role of research in improving care. At Cardiff and Vale, the Nephrology team's work on chronic kidney disease (CKD)—affecting around 1 in 10 adults in Wales and linked to cardiovascular risk—helped support the licensing of SGLT2 inhibitors through pivotal trials. This has supported national guidance and led service improvement across primary and secondary care to embed these therapies, helping slow CKD progression, improve cardiovascular outcomes and reduce future demand for renal replacement therapy.

Building on collaborations with Advanced Therapies Wales (ATW) and the Midlands and Wales Advanced Therapy Treatment Centres (ATTC), the organisation is leading the way in Wales for the delivery of advanced therapies research, with local expertise in oncology and neurology now expanded to include successful studies in cardiology and surgery.

The success of the Advanced NeuroTherapies Centre in the AMT-130 gene therapy trial for Huntington's Disease is particularly noteworthy. As the only centre in the UK participating, four patients were treated between June 2022 and September 2024. Building on this achievement, the

team were selected as a site for additional gene therapy trials in Parkinson's disease and dementia, and opened additional studies in Parkinsons and dementia during 2025-2026.

Leading Research

Cardiff and Vale researchers have continued to secure significant grant funding, with 8 new awards led by CAVUHB, totalling £1.7m. In addition, CAVUHB researchers contributed to a further fourteen awards as collaborators on national programmes.
There have been 8 investigator-led research projects developed and set up by Cardiff and Vale staff this year. The Board is optimistic that the success of local researchers will continue to grow, supported by the Joint Research Office and partnerships with academic institutions.

Industry Opportunities

CAVUHB maintain strong links with industry partners, generating over £4 million in commercial income for reinvestment into research. Leveraging both industry and health board investment, CAVUHB leads the vaccine programme for Wales, with a central vaccine centre located in the Clinical Research Facility. The team received commendation for their delivery of Moderna's Norovirus vaccine study, noted for efficient set-up and delivery within target timelines.

Part 1
Performance Report

3.1 Introduction

CAVUHB outlined its performance ambitions as part of the annual plan which was submitted in March 2025. These performance ambitions were underpinned by our Strategic Portfolio approach which provided structure and clarity in how we organise ourselves to deliver our strategic objectives. Delivery of key national performance and productivity expectations has been a key part of our plans; these include the recommendations from the Ministerial Advisory Group on Performance and Productivity as well as the Welsh Government Enabling Actions. The performance overview section details many of our achievements, alongside our key challenges and risks over the past year.

3.2 Statement from the Chief Executive

Performance across CAVUHB has been characterised by areas of success and areas of challenge. The annual report details improvement in quality, waiting times and access in many parts of the organisation alongside continued pressures on finances and operational delivery in others. CAVUHB has a steadfast commitment to prioritising quality and patient experience for the population and the annual report details how throughout 2025-2026, the Shaping Our Future Quality Excellence Programme has continued to progress, delivering a number of significant quality and safety improvements.

Operational performance improvements have included a reduction in waiting times across physical and mental health in addition to a rapidly growing number of services being delivered across primary and community care as part of the focus on Community By Design. Whilst these improvements should be celebrated, there is still further to go and a commitment to continued improved in access and outcomes at the heart of the forthcoming annual plan.

The financial challenges within CAVUHB are clear and significant, performance in this area has not been in line with statutory duties as challenges with demand, productivity and economic impacts have combined to create a difficult landscape. Addressing these forms an integral part of the focus for 2026-2027.

3.3 Purpose and Activities

The main responsibilities of CAVUHB are two-fold: Firstly, to help people live well - from having a healthy start in life through to maintaining health in later years. Secondly, to provide excellent care and treatment for people who need healthcare services to keep well or recover to get well and to age and live well to the end. This includes both physical and mental health, and from prevention through to primary and community services with an aim to deliver services seamlessly with social care and voluntary sector colleagues, and acute and specialist hospital services for diagnostics, urgent and emergency care and planned care procedures. CAVUHB has a critical role in providing over 100 highly specialised services to people from across South Wales and beyond, which is central to the wellbeing of the population of Wales. CAVUHB is a highly research-active university Health Board delivering around 50% of the research undertaken across Wales. As one of the largest employers in the region there is a focus on training the next generation of healthcare professionals – from apprentices and health care support

workers to health care scientists, nurses, dentists, doctors and therapists – working with higher and further education partners to do so.

The CAVUHB vision is:

"Working together, we will help improve lives so that by 2035 people are healthier and unfair differences in health outcomes are reduced. The care we provide for people who need our services and those delivering services will be outstanding, with outcomes and experience for all that compare with the highest performing peer organisations."

To deliver this vision CAVUHB is organised into seven clinical boards which have responsibility for delivering a range of services across primary, community, secondary, tertiary and mental health sectors. There are a number of corporate functions supporting these clinical boards, including finance, people and culture, capital estate and facilities, planning and digital health intelligence.

The CAVUHB commitment to improving population health has been shaped around our Cardiff and Vale Long-term Public Health Plan, published in 2024. This plan sets out our priorities over the next 10 years to address current and future population health issues, improve health, prevent ill health, and reduce inequalities in health outcomes among residents and communities in our area.

The challenges facing the Health and Social Care system can only be addressed through close, open and supportive partnership working. Over the last year CAVUHB has maintained its collective arrangements with local authority partners across operational, strategic and Executive levels. The continued maturity of the Regional Partnership Board has benefits across the Health and Social Care system with success in developing and expanding plans to support residents across Cardiff and Vale during the winter months.

3.4 Integrated Medium-Term Plan (IMTP)

CAVUHB was escalated to Level 4 (Targeted Intervention) in March 2025 for finance, strategy and planning, reflecting a deteriorating financial position. In July 2025, the scope of escalation was further expanded to include quality, planned care waiting times and cultural and leadership challenges, alongside the worsening financial deficit.

This escalation reflects the scale and complexity of the financial and operational challenges facing the organisation. The Health Board has been working closely with Welsh Government and NHS Performance and Improvement within the escalation and de-escalation framework to deliver the improvements required to exit escalation and restore financial sustainability.

A key factor underpinning this position is the absence of an approved three-year Integrated Medium-Term Plan (IMTP). The NHS Wales Planning Framework 2025–2028 requires Local Health Boards to prepare and submit a three-year Integrated Medium-Term Plan (IMTP) to Welsh Government. CAVUHB did not submit an IMTP for the 2025–2028 period.

An IMTP for 2022–2025 was submitted in line with the Framework; however, this was not approved as it did not demonstrate a credible route to a balanced financial position. In the absence of an approved three-year IMTP, Welsh Government requires the Health Board to submit an annual One Year Annual Plan. Accordingly, CAVUHB submitted a one-year Annual Plan for the 2025–2026 financial year.

The CAVUHB Annual Plan is set in the context of the Shaping Our Future Wellbeing Strategy and also aligned to the key priorities within the NHS Wales Planning Framework, with a focus on improving access to primary and community services, delivering improvements to urgent and emergency care services through the six goals for urgent and emergency care programme, focussing on improving waiting times for those who require planned care, and focus on delivering mental health improvements.

The plan sets out clear alignment to core enablers such as regional and partnership working, digital transformation and infrastructure improvements. Informed by the Primary Care Cluster and Pan-Cluster Plans, in conjunction with the Cardiff and Vale of Glamorgan population needs assessments and the Wellbeing assessments of the two local authority areas, the plan aims to ensure delivering outcomes that matter to the population. These highlight the specific health needs of the population and are supported by the need's profiles of three localities.

Similarly, the Annual Plan responds to the commissioning requirements of neighbouring Health Boards and Joint Commissioning Committee for the specialist and tertiary services CAVUHB provides for their populations and patients.

In response to CAVUHB's Annual Plan, the Welsh Government issued several Accountability Conditions which are required to be met. CAVUHB remained in level 4 escalation (targeted intervention) for finance and planning throughout 2025-2026 due to being unable to produce a financially balanced plan. One of the key de-escalation criteria for this domain of escalation remains the ability to produce an 'acceptable' annual plan or financially balanced three year integrated medium term plan (IMTP).

Progress against these accountability conditions and de escalation requirements has been monitored throughout 2025-2026 through the Board and its committees and will continue to be routinely scrutinised through 2026-2027.

3.5 Performance Appraisal and Assessment

CAVUHB's overall performance during 2025-2026 was characterised by a number of improvements in access and quality within urgent and emergency, planned care and mental health pathways. Reductions in waiting lists over the year were a particular highlight and these were achieved through a combination of non-recurrently funded additional capacity and improvements to operational delivery. These improvements have been underpinned by a commitment to transforming productivity and efficiency, notably through our internal programmes of work alongside implementation of national plans including the Ministerial Advisory Group recommendations and Enabling Actions. The work delivered in 2025-2026 has laid the foundation for an ambitious programme in 2026-2027.

Delivery against the Cabinet Secretary Delivery Expectations have been noted

below to provide an assessment of performance this year. Whilst performance has been in line with the Health Board's commitment in some areas, it has been behind it in others, leading to a renewed focus on the year ahead.

3.6 Financial Performance Trends

CAVUHB has a statutory obligation to remain within its resources on a three-year rolling measure.

In 2023-2024 and 2024-2025, CAVUHB did not meet its financial duty due to significant in-year pressures and the need to continue delivering services from an operational footprint that was still largely designed to meet COVID-19 and infection prevention and control requirements.

The target was again not met in 2025-2026 due to ongoing pressures.

As a result of these sustained pressures, CAVUHB did not meet its duty to operate within its revenue resource allocation over the three-year period 2023-2026.

CAVUHB's financial statements have been prepared in accordance with the 2025-2026 NHS Wales Manual for Accounts.

The accounting policies contained in that manual follow the 2025-2026 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.

The Manual for Accounts makes clear that accounts should be prepared on a going concern basis where there is the anticipated continuation of service in the future. The assumption has been made that the services of CAVUHB will continue in operation. Consequently, the going concern basis has been adopted.

Performance against the 3-year financial break even duty

Financial Year	Year end position surplus / (deficit) £'m	Rolling 3 year break even duty surplus / (deficit) £'m	Pass or fail financial duty
2021/22	0.232	0.380	Pass
2022/23	(26.789)	(26.467)	Fail
2023/24	(16.404)	(42.961)	Fail
2024/25	(27.627)	(70.820)	Fail
2025/26	(56.102)	(100.133)	Fail

	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
Net operating costs for the year	1,228,135	1,309,705	1,388,556	1,536,764	1,667,026
Less general ophthalmic services expenditure and other non-cash limited expenditure	(14,237)	(13,361)	(13,794)	(13,833)	(16,370)
Less unfunded revenue consequences of bringing Private Finance Initiative schemes onto Statement of Financial Position	(222)	(222)	(222)	(222)	(222)
Total operating expenses	1,213,676	1,296,122	1,374,540	1,522,709	1,650,434
Revenue Resource Allocation	1,213,908	1,269,333	1,358,136	1,495,082	1,594,332
Under /(over) spend against Allocation	232	(26,789)	(16,404)	(27,627)	(56,102)

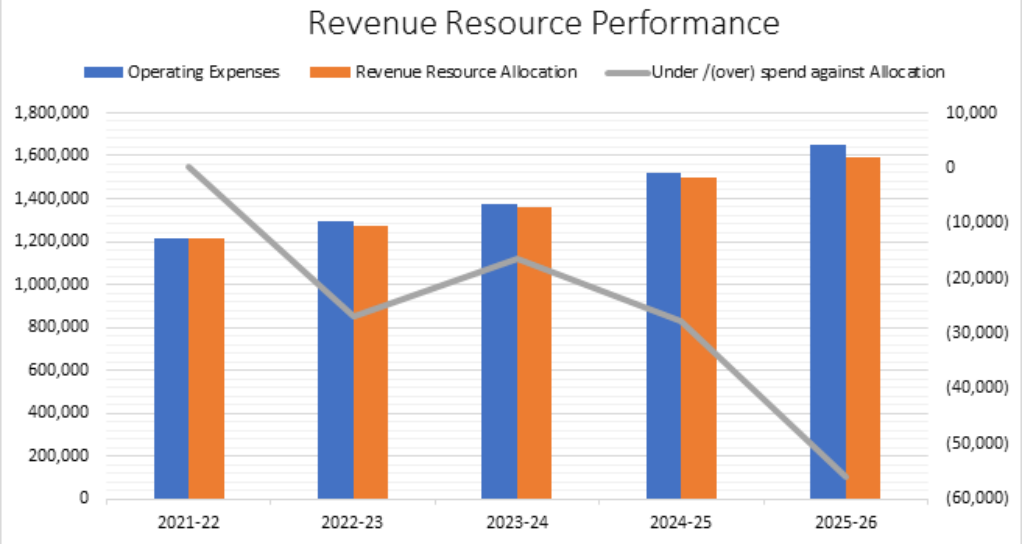


Image 10 – Revenue Resource Performance

Capital Resource Limit

CAVUHB continues to manage within its annual Capital Resource allocation through the proactive oversight of the Health Board Capital Management Group, which monitors capital bids and the delivery of major capital projects, enabling expenditure plans to be flexed as required and ensuring the annual capital allocation is utilised effectively.

Financial Year	Capital Resource Limit £'000	Actual year end position surplus / (deficit) £'000	Rolling 3 year break even duty surplus / (deficit) £'000	Pass or fail financial duty
2023/24	45,603	72	201	Pass
2024/25	59,156	248	408	Pass
2025/26	65,250	289	609	Pass

Public Sector Payment Performance

The Health Board met its public sector performance target in 2025-2026.

Public Sector Payment Performance	2021-22 Number	2022-23 Number	2023-24 Number	2024-25 Number	2025-26 Number
NHS					
Total bills paid	6,314	7,864	7,305	7,382	7,996
Total bills paid within target	5,072	6,684	6,353	6,587	6,579
Percentage of bills paid within target	80.3%	85.0%	87.0%	89.2%	82.3%
Non-NHS					
Total bills paid	306,094	362,856	313,943	280,190	290,408
Total bills paid within target	284,850	345,405	303,193	271,808	279,886
Percentage of bills paid within target	93.1%	95.2%	96.6%	97.0%	96.4%
Total					
Total bills paid	**312,408**	**370,720**	**321,248**	**287,572**	**298,404**
Total bills paid within target	**289,922**	**352,089**	**309,546**	**278,395**	**286,465**
Percentage of bills paid within target	**92.8%**	**95.0%**	**96.4%**	**96.8%**	**96.0%**

Image 11 – Public sector payment performance

Public Sector Payment Performance	2021-22 Number	2022-23 Number	2023-24 Number	2024-25 Number	2025-26 Number
NHS					
Total bills paid	299,775	344,958	362,462	409,279	437,856
Total bills paid within target	286,700	336,633	351,782	402,149	428,596
Percentage of bills paid within target	95.6%	97.6%	97.1%	98.3%	97.9%
Non-NHS					
Total bills paid	880,894	1,024,980	1,033,511	888,621	962,119
Total bills paid within target	842,548	980,609	994,919	856,160	912,041
Percentage of bills paid within target	95.6%	95.7%	96.3%	96.3%	94.8%
Total					
Total bills paid	**1,180,669**	**1,369,938**	**1,395,973**	**1,297,900**	**1,399,975**
Total bills paid within target	**1,129,248**	**1,317,242**	**1,346,701**	**1,258,309**	**1,340,637**
Percentage of bills paid within target	**95.6%**	**96.2%**	**96.5%**	**96.9%**	**95.8%**

Image 12 – Public sector payment performance

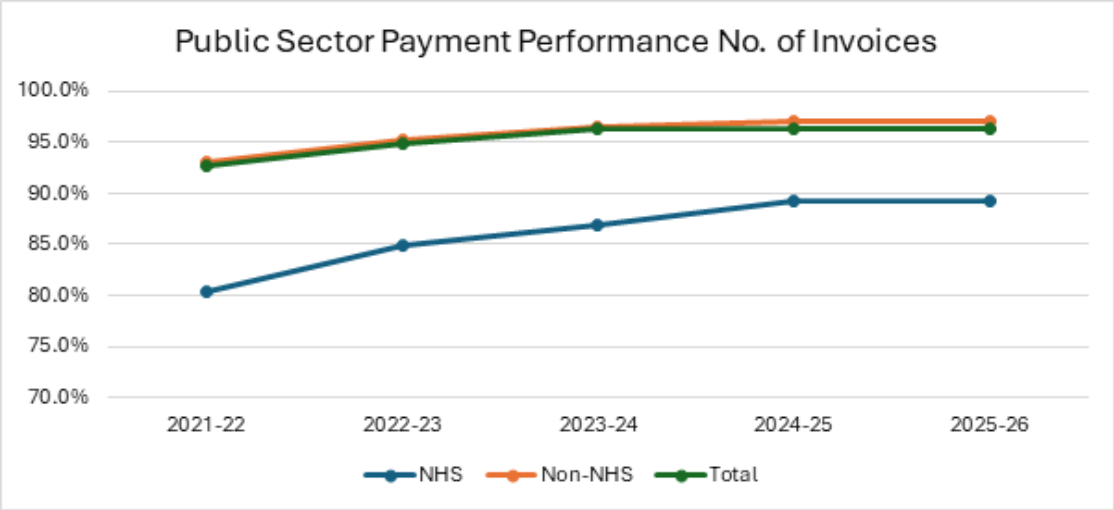


Image 13- Public sector payment performance invoices

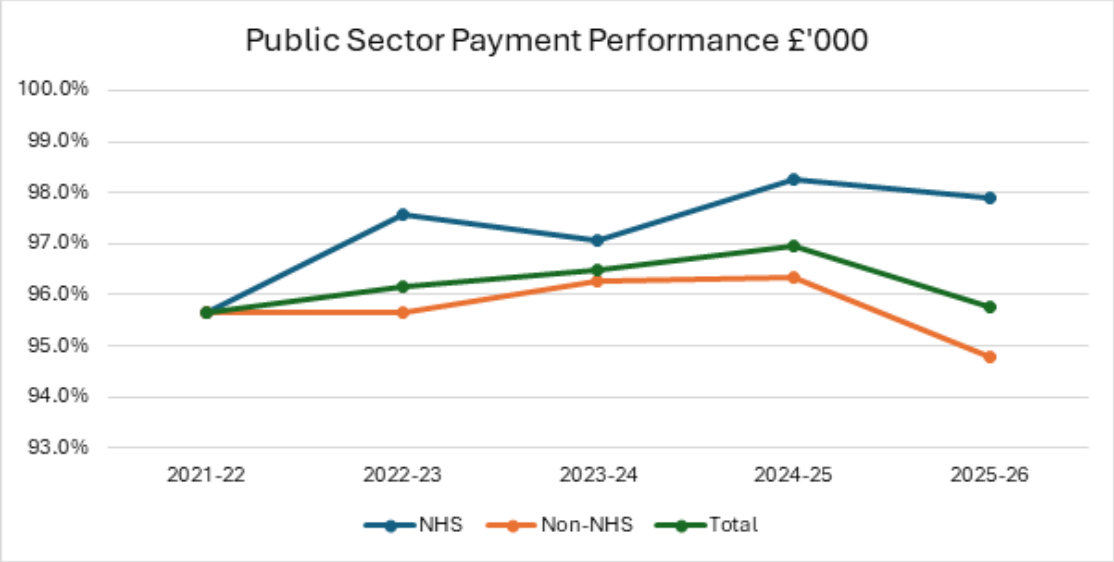


Image 14- Public Sector Payment Performance £'000

3.7 Delivery and Performance Analysis

Performance against the Key Delivery Expectations has been monitored through our operational and corporate forums. A summary of the performance is provided below, with a broader analysis of performance provided in the corresponding sections below.

WG Strategic Priority	Ministerial Expectation	C&V Q4 Plan	C&V Performance vs Plan
Timely Access to Care	Reduce 1-hour ambulance handovers to 0	<400 per month	73 (March 2026)
	Reduce 12-hour ED waits to 0	<750 per month	965
	Reduce 104-week RTT waits to 0	9861	338 (March 2026)
	12-month improvement trend on 62-day Single Cancer Pathway performance	75%	54.5% (February 2026)
	Reduced 8-week diagnostic waits to 0	10426	6432 (March 2026)
Population Health and Prevention	Increase in % of diabetes patients who received all eight NICE care processes	48%	45% (March 2026)
	Influenza 65+	75%	71.7%
	Covid-19 Spring booster	75%	56.0%
	Covid-19 Autumn booster	75%	58.3%
	Children's '4 in 1' by age 5	95%	85.3% (Q3)
	Children HPV by age 15	90%	74.9% (Q3)
Women's Health	Establish one Women's Health Hub in each Health Board area	Establish	Established
Building Community Capacity	12-month improvement trend in delayed pathways of care	<160	156
	100% of GP practices achieving all in hour GMS access standards	100%	100%
	Increase number of people accessing Pharmacist Independent Prescribing Service	>2185	2976
	Increase % of adult and child population accessing NHS dental care	45% adults 78% children	3.22% increase 104.7% of contract volume
	Increase weekend capacity of district and specialist nursing compared to 24/25	>51%	54%
	Increase Enhanced Community Care Capacity	>800	1019
Mental Health Access	80% of assessments within 28-days	80% - adult 80%- children	100% 100%
	80% of interventions within 28-days	80% - adult 80%- children	100% 100%

Green = better/equal to than plan.

Red = worse than plan.

Image 15- Key Delivery Expectations Performance

3.7.1 Operational Performance Analysis

Urgent and Emergency Care

CAVUHB has delivered a number of improvements in our urgent and emergency care pathways during 2025-2026 which have come despite a continued increase of almost 4% in demand. The 6 Goals for Urgent and Emergency Care has continued to be the overarching policy framework which several workstreams have focused on both in and out of hospital improvements.

Primary and community care teams continue to be the foundation of our urgent and emergency care system. During 2025-2026 CAVUHB provided over 206,000 district nursing visits which have helped to support our patients receive care in their usual place of residence. Offering communities alternatives to attending hospital has been a focus through the year and this includes a significant increase in the number of patients who have been through the CAV 24/7 Single Point of Access. During February and March 2026, an average of 53% of these calls were managed without the requirement for onward referral.

Working with partners across Health and Social Care is of the highest organisational importance. Partnership working is embedded throughout the Health Board and includes daily operational meetings with Local Authority and Integrated Discharge Services. At the end of the year there were 156 patients who had delayed transfers out of hospital and total number of bed days that these patients were delayed in hospital had decreased by almost 30% when compared to the beginning of 2025.

The implementation of the national "W-45" initiative gave CAVUHB further opportunity to reduce ambulance handover delays. Through the delivery of this programme the Health Board saw a significant reduction in the number of >1-hour ambulance handovers. This was achieved through a reorganisation of process and space within the emergency department along with increased clinical and operational oversight. CAVUHB is proud to have the lowest number of 1-hour ambulance handovers in Wales and the lowest number of 12-hour emergency department waits. Whilst this performance has been celebrated, there remain too many people facing long waits in emergency pathways and our plans for 2026-2027 focus on reducing these further. Flow across the hospital and an increased Length of Stay have been identified as an essential area for improvement. CAVUHB is currently not performing as one of the top organisations in the UK and this increases pressures across our teams and the wider Health and Social Care system. Improvements in this area will also provide scope for improvements in quality, outcomes and financial performance. To achieve these in 2026-2027 the Urgent and Emergency Care Programme will reorientate to three core workstreams covering Integrated Community Care, Optimising Acute Care and Frailty, and Improving Hospital Efficiency.

Our performance in some of the key emergency pathways has been varied in 2025-2026 and remains an area of focus moving forwards. Within stroke services, pressures in acute hospital flow have led to a decrease in the % of patients being admitted to the stroke ward within four hours. Despite this, the Health Board has delivered a significant improvement in the % of patients who have received thrombolysis treatment during the second half of the year.

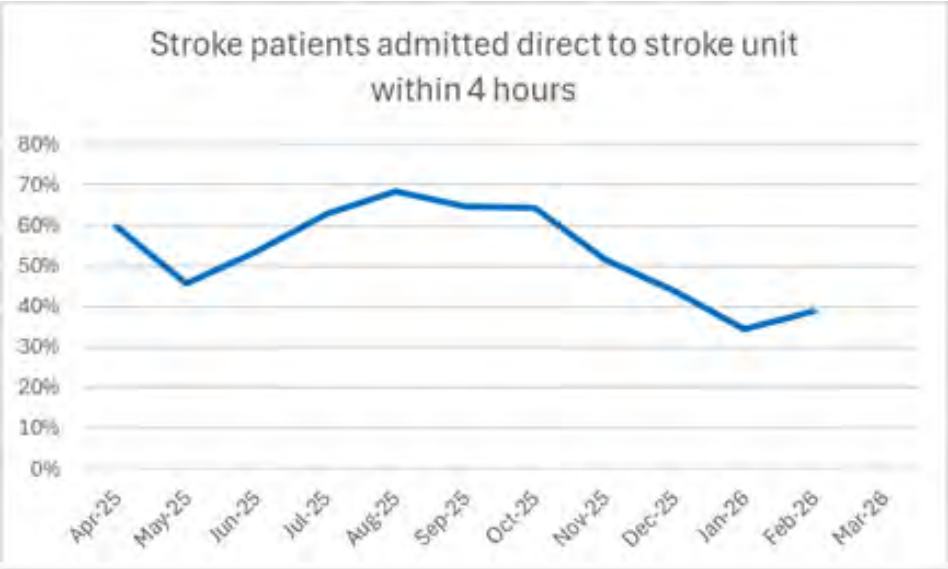


Image 16 – Stroke Ward admission within 4 hours

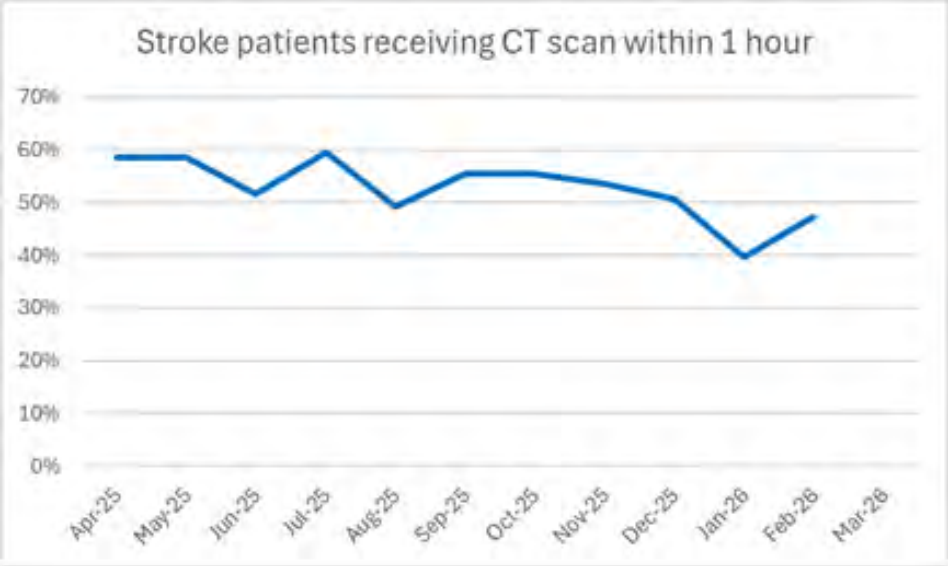


Image 17 – Stroke patients CT scanned within 1

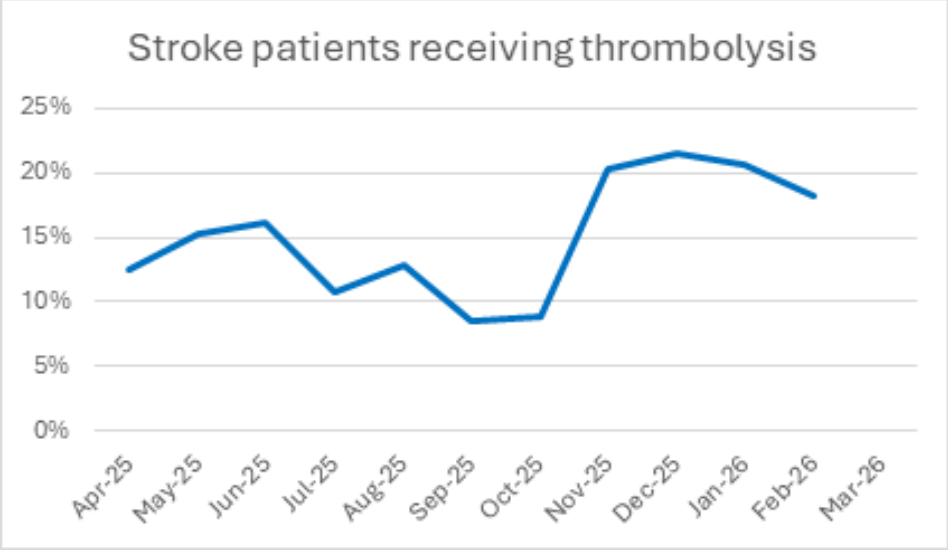


Image 18 – Stroke patients thrombolysis rateshour

Image 19 shows the % of patients with a hip fracture that are admitted to the ward within 4 hours. The graph shows how our performance has been impacted by pressures across winter and reduced when compared to previous years however it has continued to far exceed the average from the top performing hospitals across the UK.

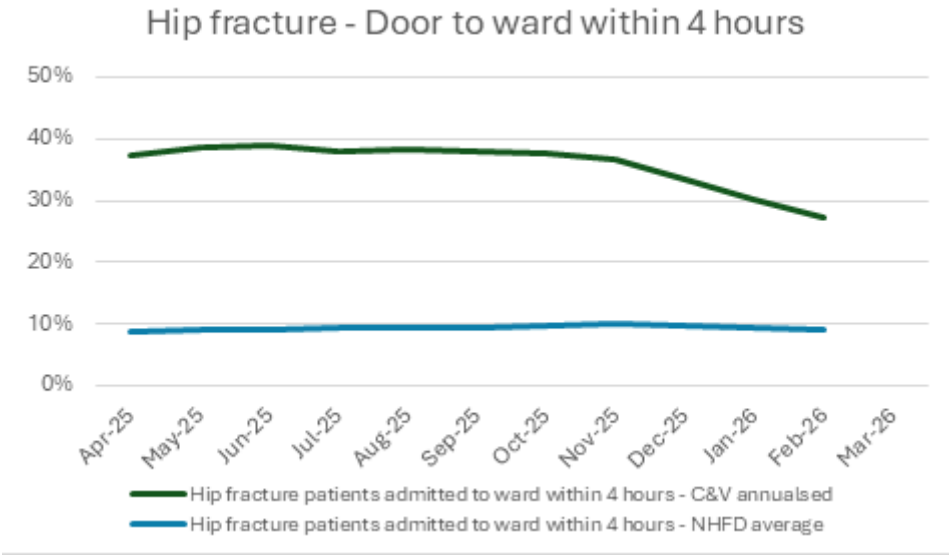


Image 19 – Hip fracture patient admission to ward within 4 hours

Cancer

Cancer delivery during the year has been variable largely to exceptional demand in specialities including Skin, Urology and Lower GI. A reduction in the backlog of patients waiting longer than 62 and 104 days of over 50% since the start of February has been a positive improvement and reflects the impact of several actions which have been implemented to increase capacity and improve pathway compliance. Our focus for 2026-2027 is on continuing this improvement, delivering the national optimum cancer pathways and returning to delivering performance which is consistently above 70% for the Single Cancer Pathway.

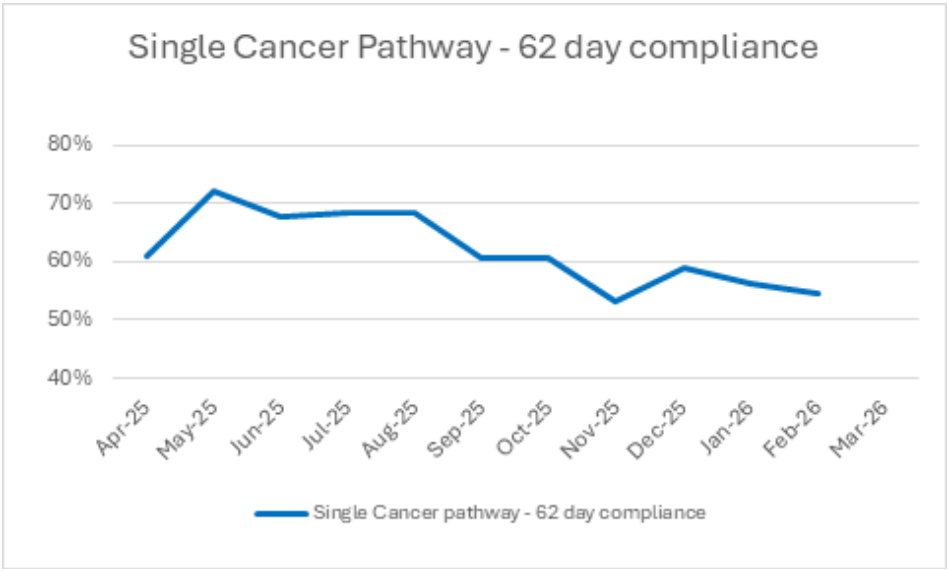


Image 20 – cancer patients' treatment within 62 days

Planned Care and Diagnostics

CAVUHB has continued to focus on reducing waiting times for patients across planned care and is proud that despite the challenging operational position waiting list times are now at the lowest point since 2021. Despite this improvement, patients are still waiting too long, and we need to continue our efforts to ensure patients in Cardiff and Vale are assessed, diagnosed and treated in a timely manner.

Delivery in 2025-2026 was underpinned by additional activity undertaken through CAVUHB and national programmes. This included the use of a range of insourcing and outsourcing arrangements which were facilitated by additional non-recurrent funding sources.

At the end of March 2026 there were 131,710 patients on a Referral to Treatment (RTT) waiting list. This is an overall reduction of approximately 19,500 patients when compared to March 2025. The number of children on an RTT waiting list has increased from 11,108 in March 2025 to 11,681 in March 2026. In regard to the longest waiting patients, the Health Board reduced the number of patients waiting over 2 years for treatment down to 338 at the end of the year which is lower than the 4,800 originally forecast when developing the annual plan and lower than the 1,632 patients who had waited over 2 years at the end of March 2025. The number of patients waiting 3 years for treatment was reduced to 0. These achievements have been celebrated due to the positive impact they will have on the population and the foundation they provide for future service delivery.

CAVUHB is focused on improving productivity and efficiency in planned care through 2026-2027. Improvements have been targeted in outpatients, theatres and diagnostics and whilst these opportunities will not be sufficient to fully address the ongoing demand and capacity shortfalls, our teams continue to develop long term sustainability and right sizing plans which include improved use of technology, implementation of best practice and reduce variation in practice.

Further detail on our waiting time performance can be found in images 21 and 22 below.

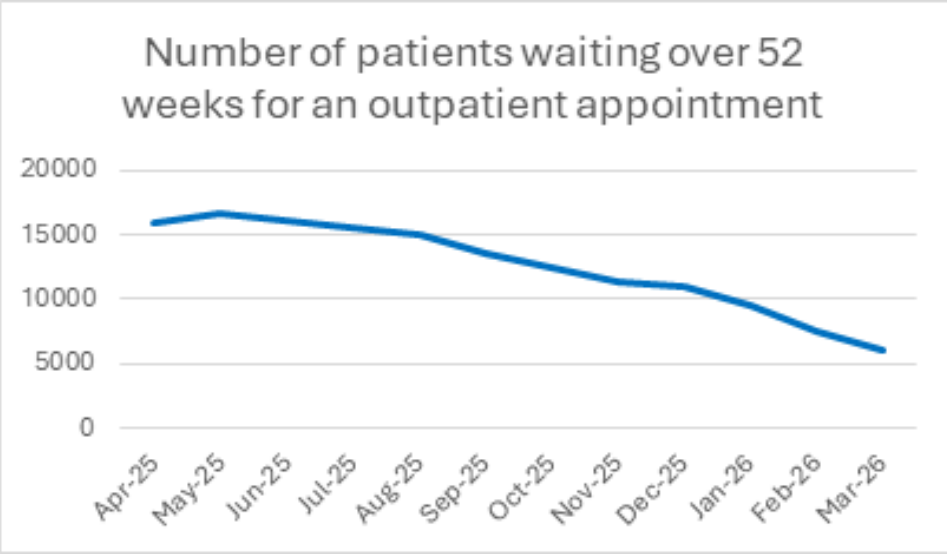


Image 21– number of patients waiting longer than 52 weeks for a new outpatient appointment

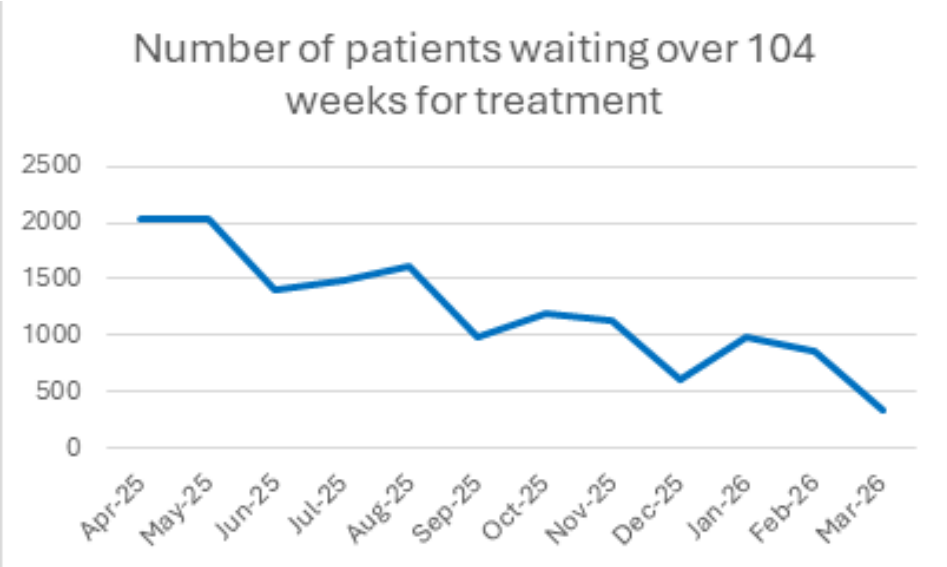


Image 22 – number of patients with a total wait longer than two years

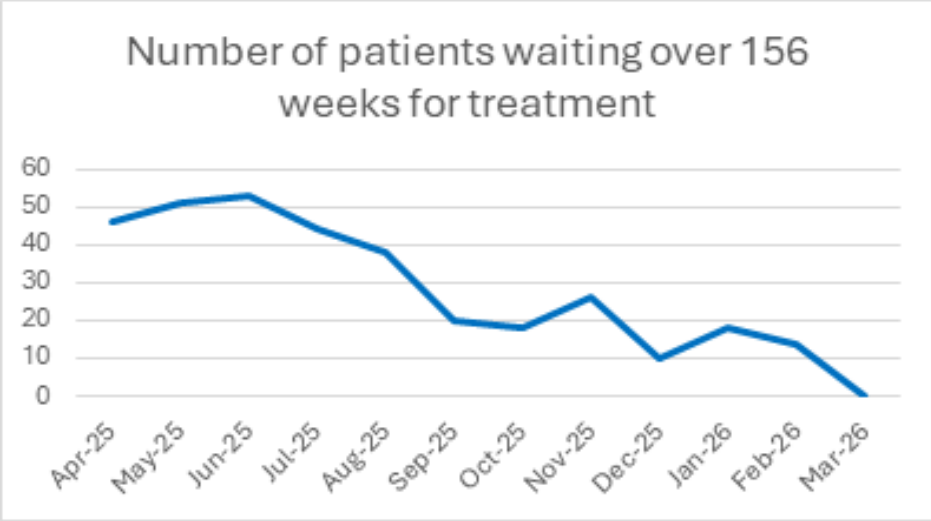


Image 23– number of patients with a total wait longer than three years

Waiting times for diagnostic test have been a challenge for several years with pressures in endoscopy and non-obstetric ultrasound. Due to ongoing demand and capacity challenges, the originally submitted plan forecast that over 10,000 patients would be waiting longer than 8-weeks for a diagnosis. Through a combination of additional activity and improved focus on efficiency the Health Board significantly reduced the overall waiting list ending with 6432 patients waiting over 8-weeks at the end of March 2026. This was a reduction of over 8000 patients when compared to the beginning of the year.

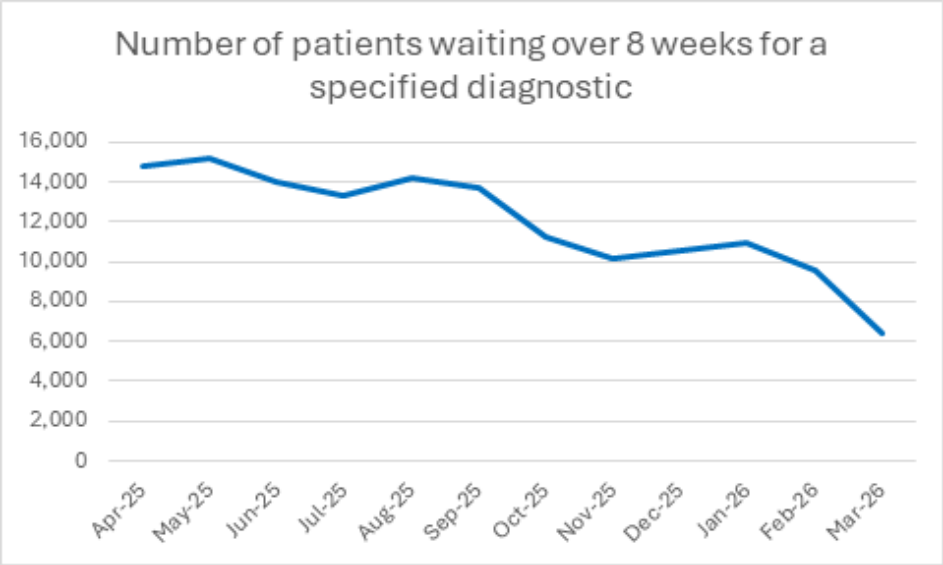


Image 24 – Diagnostic Waits

Image 25 shows the increase in the number of patients waiting longer than 14 weeks for therapies which has increased from 384 in March 2025 to 840 in March 2026. The worsening position has been driven by increases in breaches in Dietetics and Occupational Therapy. The percentage of patients waiting less than 14 weeks has remained above 90% throughout 2025-2026.

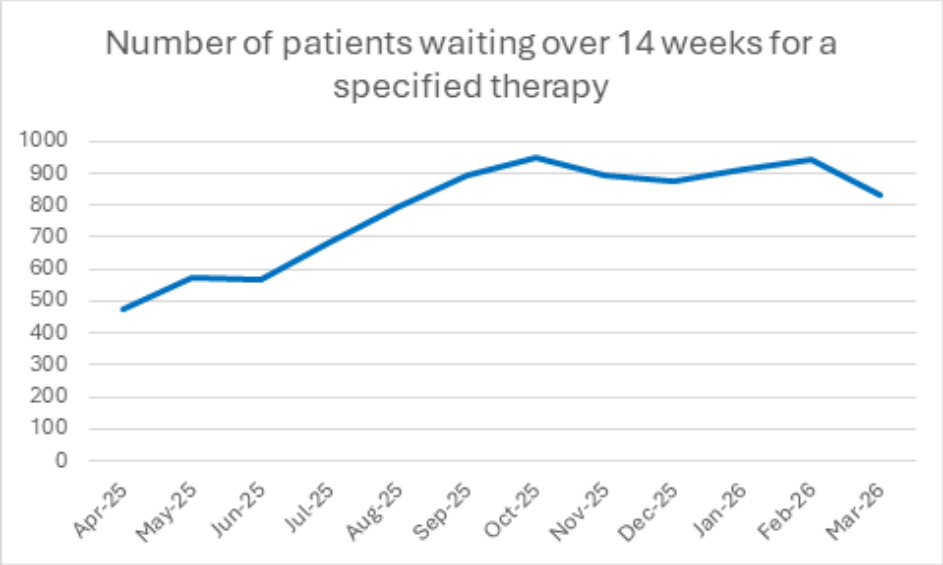


Image 25 - >14-week therapy waits

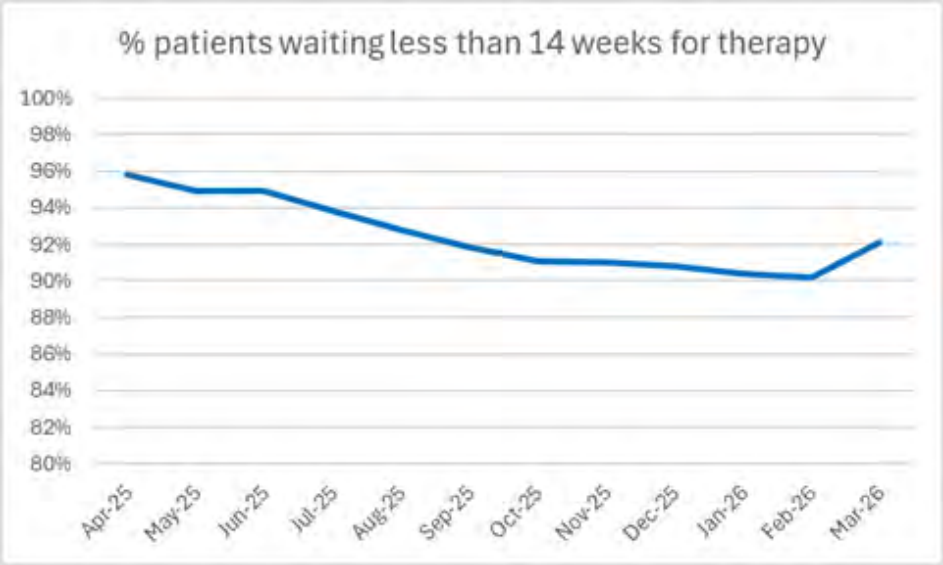


Image 26- <14-week therapy waits

Mental Health

Demand for Mental Health services has continued to increase with a record number of referrals being received in October 2025. Despite this the performance against key indicators has been above standard for both adults and children's services. This includes the achievement of the 28-assessment standard and the 28-day therapeutic intervention standard for all age groups. Progress has been made in ensuring patients have a valid care and treatment plan for adults, despite not meeting the national standard, with an improved trajectory throughout the year and a plan in place for delivery in 2026-2027.

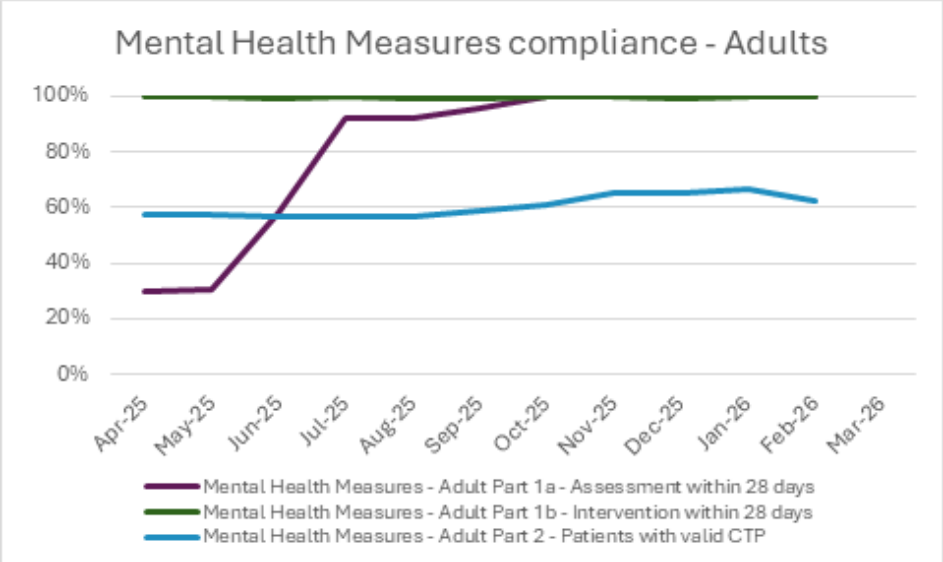


Image 27 – 28-day assessment standard in adults

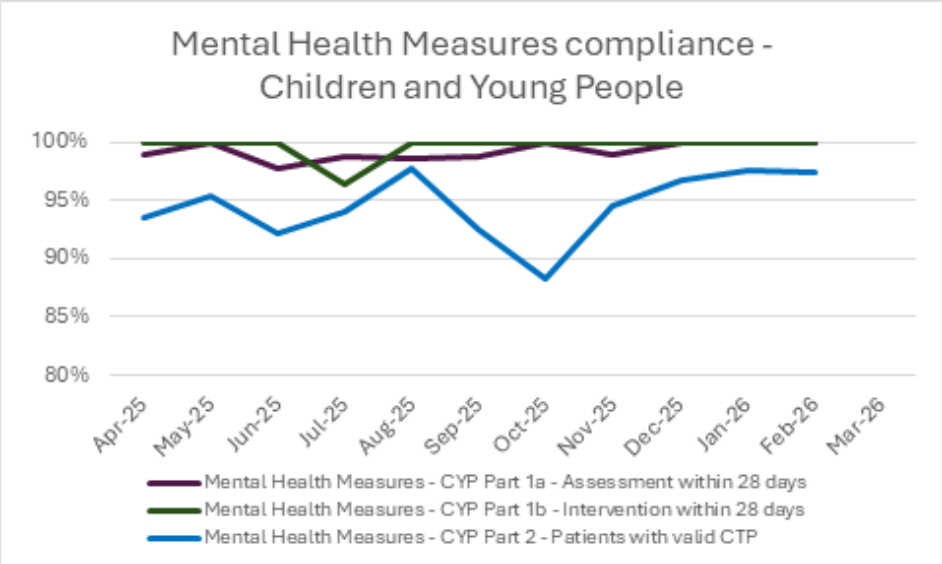


Image 28 – Children's Emotional Wellbeing and Mental Health Performance

Neurodevelopmental services provide multidisciplinary assessment, intervention, information and advice for children and young people who may have a neurodevelopmental disorder, and their families. Since the start of the covid-19 pandemic the referrals to these services have increased significantly and this has led to patients waiting a long time for assessment. Our teams have implemented a number of improvements in 2025, and we are working closely with the national programmes, however our waiting times, whilst improved, continues to be challenging.

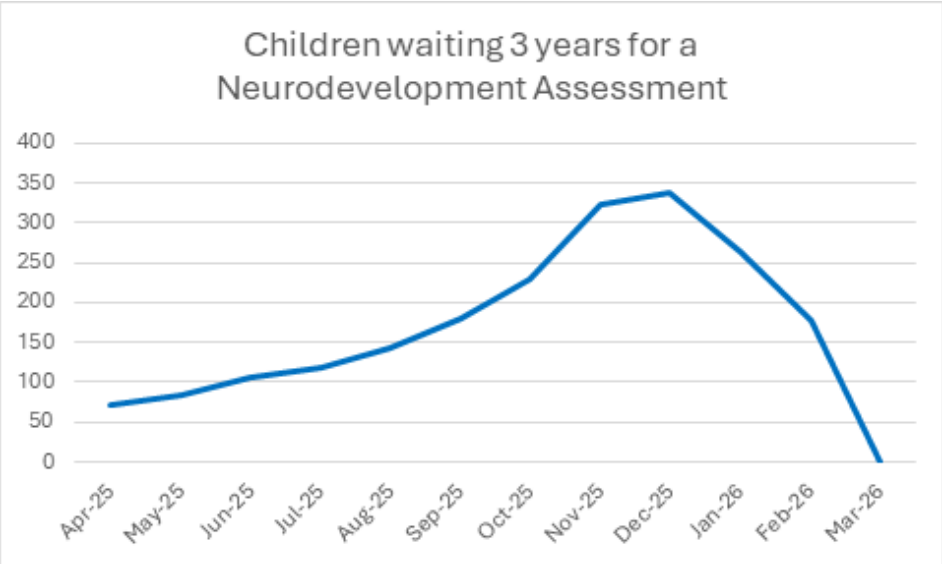


Image 29 – Neurodevelopment Waiting List and Volume (Children)

Psychological Therapy services have seen a stabilisation in the number of patients on their waiting lists and a consistent proportion of patients waiting less than 26 weeks for an appointment, just below the 80% standard.

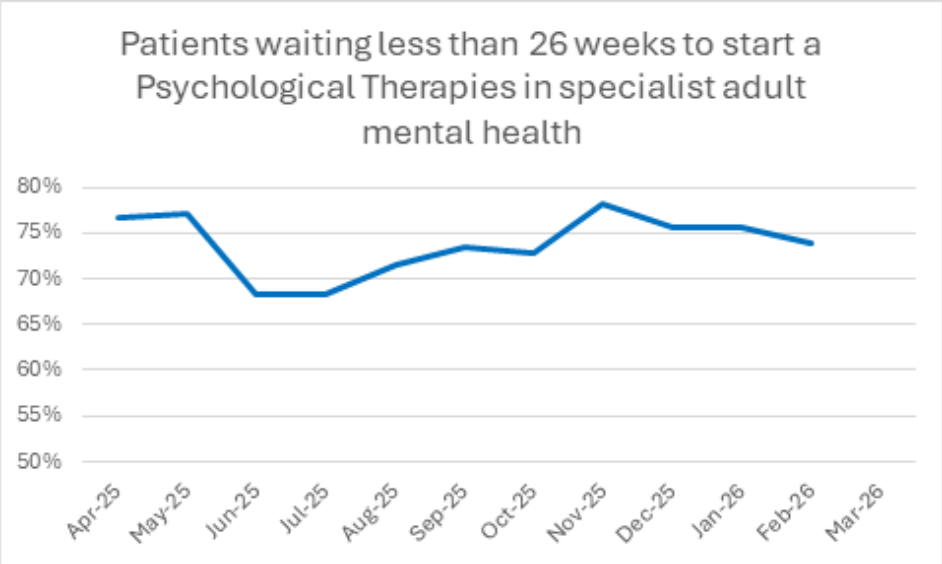


Image 30 – Psychological Therapy Waiting Times

Primary and Community

The pressure within Primary and Community care has continued in line with previous years and the Health Board has continued to prioritise the delivery of services in the community as part of our drive to deliver care closer to home for patients.

Performance against key measures;

1. 20% increase in the volume of Common Aliment Service consultations
2. Delivery of Welsh General Ophthalmic Services (WGOS) pathway and 1,279 patients seen
3. 100% of GP practices achieving the core access standards (in hours)
4. 104% achievement of dental contract volumes

3.8 Quality Performance Analysis

Quality sits at the heart of everything we do, guiding our commitment to delivering safe, effective and compassionate care. In 2025, CAVUHB strengthened this focus by developing a comprehensive Mortality Dashboard, enabling enhanced oversight of mortality trends at ward, specialty and Clinical Board levels. This tool supports deeper understanding of the factors influencing patient outcomes, including time to admission, time to discharge, ward moves and overall length of stay. Our approach to quality and safety is further supported by a well established framework of Clinical Safety Groups, each providing specialist oversight in key aspects of safe care delivery—such as blood transfusion, medical devices, medicines safety, nutrition and hydration, and falls. Additionally, CAVUHB implemented a digital risk register, which is now facilitating more dynamic, real-time conversations between clinical services and these safety groups. This integrated digital approach is enabling earlier identification and mitigation of clinical risks, strengthening our collective ability to continuously improve care.

Clinical Audit

CAVUHB has continued commitment to delivering effective, high-quality clinical audit across all clinical services. Clinical audit remains a cornerstone of how the organisation continually improves, ensuring that services evolve and adapt to

provide safe, reliable and patient-centred care. CAVUHB has an established policy and strategy governing the practice and governance of clinical audit, applicable to all staff, and focused on ensuring that audit activity is conducted consistently, robustly and in line with national standards, this policy and strategy will be refreshed in 2026.

CAVUHB Clinical Effectiveness Committee plays an essential role in providing oversight of national clinical audit, ensuring that findings are understood, acted upon and directly drive programmes of quality improvement. This committee ensures clear governance, supports the translation of national recommendations into local practice, and strengthens assurance around how improvement actions are embedded across Clinical Boards.

Throughout the year, Clinical Boards have continued to develop and mature their audit forward plans, strengthening their ability to take a proactive and planned approach to quality assurance. These forward plans ensure that local audit activity is meaningful, relevant and aligned to both national priorities and local service needs. In 2026, a key area of focus will be ensuring that these forward plans are closely aligned to organisational quality and patient safety priorities as part of the developing Quality Management System. This alignment will help ensure that clinical audit increasingly functions as an integrated part of the wider quality ecosystem, supporting sustained improvements in care and maintaining high standards for the population we serve.

Quality Improvement Initiatives

Throughout 2025, the Shaping Our Future Quality Excellence Programme has continued to progress, delivering several significant quality and safety improvements. A key achievement has been the full implementation of the National Early Warning Score (NEWS2) across all acute settings, as well as in neonatal, paediatric and maternity services in both community and inpatient environments. This standardised approach to recognising and responding to the deteriorating patient ensures greater consistency, reliability and safety across the entire patient pathway.

The Programme has also successfully standardised the recording of outpatient appointment outcomes, ensuring that every patient is followed up appropriately, referred to another specialty when required, or discharged in a timely manner. This change is improving the reliability of outpatient pathways and ensuring that no patient is unintentionally lost to follow-up.

Work has progressed on the development of an enhanced Infection Prevention and Control dashboard, aimed at providing greater insight into infection cases and outbreaks. This will support earlier identification of themes, enable shared learning, and drive targeted improvement. The project is now at a stage where further progression is dependent on securing the necessary digital resource.

A medication safety project has recently been added to the Programme and this work is focused on strengthening CAVUHB's approach to medication safety and the prevention of avoidable harm associated with medicines use.

Work has continued to advance the improvement work initiated through the Theatres Together programme, established in response to the Review of Main Theatres at the University Hospital Wales. This is a substantial and multi-faceted programme of work that will continue into the 2026-2027 financial year, supporting safer, more efficient and more sustainable theatre

services. Some of the achievements to date include:

- Improved security and safe storage for staff changing areas.
- Full refurbishment of the staff room through charitable funding.
- Alignment of paediatric pathways with the Royal College of Anaesthetics
- Development of anaesthetic room SOPs and safety standardisation.
- Ensuring key patient information is reliably communicated for safe transfers.
- Improved visibility of senior leadership across theatre areas.
- Mandatory and meaningful audit sessions with high engagement.
- Introduction of "stay" conversations and enhanced psychological safety work.
- Increased staff speaking up, reflected through feedback and incident reporting.
- Leadership development pathways established in partnership with Health Education and Improvement Wales.

Learning from Mortality

Every death matters, and we recognise the profound impact that bereavement has on families, carers and staff; this section outlines how we are strengthening our processes to learn, improve and provide compassionate care.

During 2025-2026 CAVUHB has strengthened its approach to learning from deaths through the implementation of a multi professional Mortality Review Panel, established to consider all referrals received from the Medical Examiner. The panel has already identified important themes for improvement, including the need for greater awareness and utilisation of mental capacity assessments to support safe and person-centred decision-making. To address this, in 2025–2026 CAVUHB mandated completion of the national consent training module for all health professionals to further embed good practice.

Oversight of mortality has been enhanced through the development of a comprehensive CAVUHB Mortality Dashboard, providing each Clinical Board with the ability to review mortality rates alongside a range of contributory indicators. This includes the clinical area in which patients received care, time to admission, ward transfer patterns, and the time of day that patients move between wards. These insights are supporting a more systematic understanding of the factors that may influence patient outcomes.

Alongside these developments, revised mortality and morbidity processes have been designed and are now being embedded within AMaT (Audit Management and Tracking digital platform). This will support greater consistency, transparency and timeliness in the review of cases, ensuring that learning is captured, shared and acted upon across all services.

CAVUHB has digitised the Care After Death process to ensure that bereaved families are not subject to unnecessary delays in receiving death certificates or other essential documentation. This improvement has streamlined administrative processes and enhanced the experience of families at a time of significant distress.

Mortality oversight has continued through the Learning from Mortality Group, which has provided scrutiny on thematic areas of concern and supported targeted improvement. This has included specific focus on services supporting vulnerable groups, such as the Cardiff and Vale Health Inclusion Service, which provides care for people experiencing homelessness and other forms of social exclusion. Through this strengthened approach to mortality governance, CAVUHB continues to prioritise compassionate, safe, and equitable care for all.

Electronic Prescribing Medicines Administration (ePMA)

In March 2025 the first wards in CAVUHB started to use an ePMA. The system has been configured to build in safeguards to reduce risk in some areas of prescribing that are associated with medication errors or for drugs that have the potential to cause the greatest harm. Examples include the standardisation of prescribing of certain drugs ensuring, recording of medication allergies and prompts and alerts in relation to time critical medication administration.

Welsh Nursing Care Record

The widespread implementation of the digitised Welsh Nursing Care Record (WNCR) allows CAVUHB much greater assurance about the timeliness and quality of nursing risk assessments. A Health Board programme of multi professional training to improve falls risk assessments and mitigation has been successful in improving the quality of risk assessment. The widespread use of the WNCR now means that data relating to falls risk assessment is more readily available allowing the training programme to be responsive.

Duty of Candour

The Duty of Candour became a statutory requirement for all NHS organisations in Wales from 1 April 2023 under the Health and Social Care (Quality and Engagement) (Wales) Act 2020.

CAVUHB is committed to embedding the principles of the Duty of Candour across all services, ensuring that patients and families are treated with honesty, empathy and respect when things go wrong.

During the reporting period, CAVUHB has continued to strengthen its governance arrangements to support compliance with the Duty of Candour.

Key elements include:

- Clear procedural guidance and standardised templates to support staff in meeting statutory requirements.
- Training and awareness programmes delivered across clinical and operational teams to support consistent application.
- Central oversight through Patient Experience and Quality Governance structures, ensuring escalation, review and oversight of all Duty of Candour cases.
- Integration with incident management processes, ensuring that Duty of Candour considerations are embedded from the point of incident identification.

Themes commonly identified through Duty of Candour reviews (nationally and locally) include areas such as communication, clinical decision making, follow up arrangements and patient safety processes.

Learning is triangulated with complaints, incidents and claims data to provide a comprehensive understanding of risks and to support targeted improvement.

CAVUHB continues to monitor compliance with the Duty of Candour through established governance structures, with regular reporting to Board and the Quality Committee.

Key areas of focus for the coming year include:

- Further strengthening timeliness and consistency of application
- Enhancing quality of communication and documentation
- Embedding learning and demonstrable improvement from Duty of Candour cases
- Continued alignment with the wider Duty of Quality and patient safety agenda

A Duty of Candour report will be available following submission to the July Quality Committee.

3.9 Patient Experience

CAVUHB is dedicated to delivering care of the highest standard in accordance with its strategic objectives, with particular emphasis on enhancing patient experience. While our primary focus remains on addressing patients' needs, we recognise that there have been occasions when expectations were not fully satisfied. That's why gathering feedback is essential for continuous growth and progress. Patient experience covers every aspect of both medical and non-medical services —including the environment, staff behaviour and communication, teamwork, accessibility, involvement in treatment decisions, and responsiveness to concerns. It also demonstrates our dedication to treating everyone with honesty, dignity, and respect throughout all areas of CAVUHB.

In 2025, the People's and Communities Framework was launched—a self-assessment tool to help organisations evaluate their current practices and design forward-looking improvement plans. Over the past year, we've been identifying the priority areas for development.

Performance Monitoring 2025-2026

CAVUHB received a total of 3,246 complaints during 2025-2026.

In June 2025, an Enquiries line was established which has processed some 3,657 cases to date.

The patient experience team processed just shy of 7,000 complaints and enquiries.

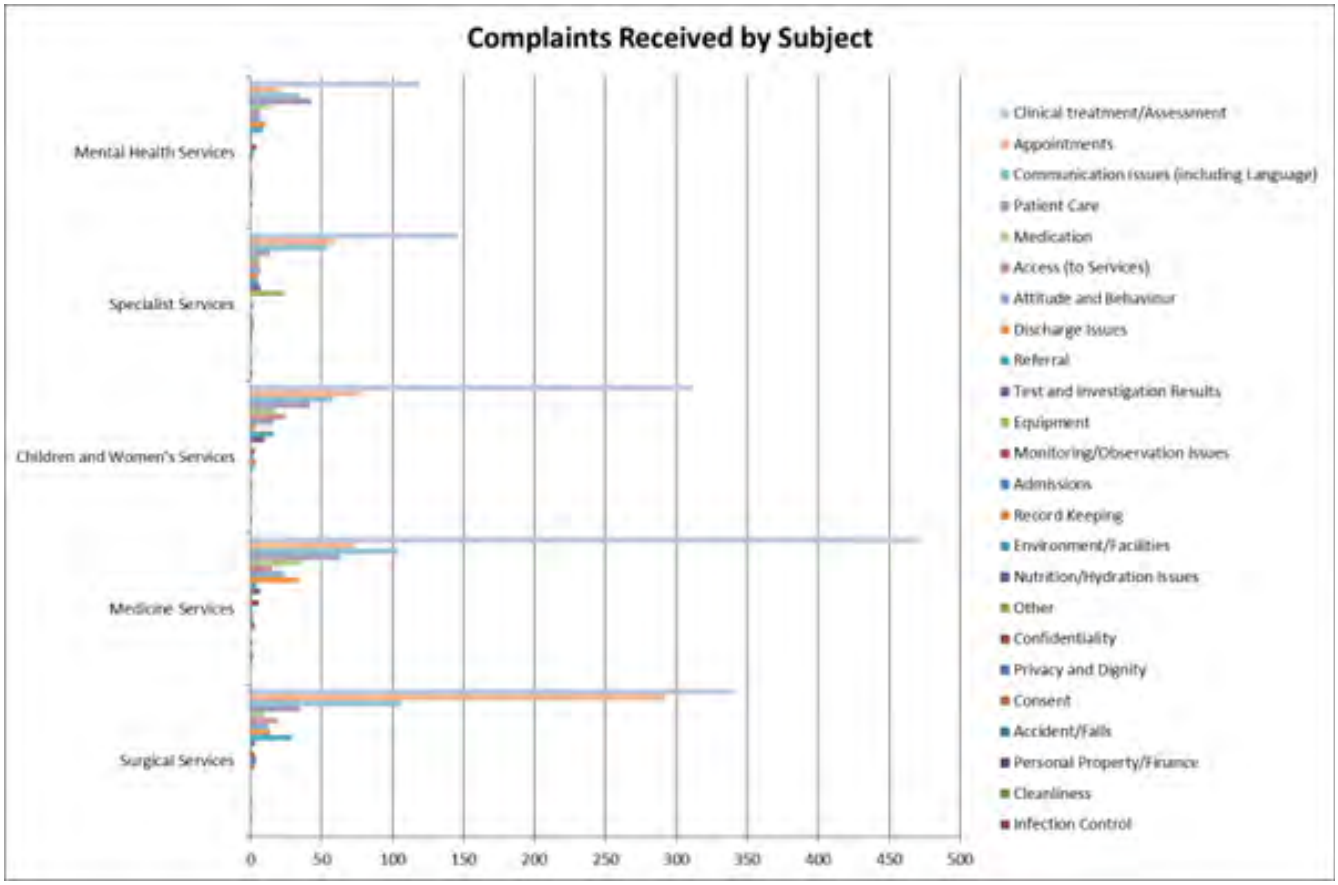


Image 31- Complaints by subject

67% of formal complaints were responded to in 30 working days

Public Services Ombudsman (PSO)

During the year, the PSO upheld 8 reports in full or in part

0 Public Interest reports were received

Financial Year, Quarter	PSOW Volume
2024-25, Apr-Jun	4
2024-25, Jul-Sept	1
2024-25, Oct-Dec	1
2024-25, Jan-Mar	2

Image 32- Public Services Ombudsman performance

3.10 Patient Feedback

Patient feedback has been gathered throughout 2025-2026, with several key activities outlined below.

Using the All-Wales Civica system, up to 1,000 SMS messages can be sent daily for feedback. Over the past year, 185,000 (routine and bespoke) messages were sent with a completion rate of circa 16%.

- Average Satisfaction Score: –85%
- Ethnicity: 88% White subgroup

Patient Feedback Metrics

During the 2025-2026 period, patient feedback has provided valuable insight into the experience of those accessing services. Analysis of survey responses has identified several key indicators reflecting the effectiveness of care delivery and communication.

Preferred Language Communication

Communication is integral to patient satisfaction. Notably, 95% of individuals reported that they were able to communicate in their preferred language. This demonstrates the organisation's commitment to inclusivity and responsiveness in meeting the linguistic needs of its diverse patient population.

Overall Experience Ratings

When asked to rate their overall experience, 86% of respondents described it as either "Very Good" or "Good." This positive feedback highlights the success of ongoing quality improvement initiatives and the dedication of staff to providing high-quality care.

Involvement in Care Decisions

Patient involvement in decision-making is a cornerstone of person-centred care. Survey results indicate that 76% of patients felt involved in decisions regarding their care, reflecting the organisation's efforts to ensure that patients are active participants in their treatment journey.

The below graph shows Patient Experience Survey (PES) Satisfaction score (%) over time for different cohorts, from July 2025 to December 2025. Overall satisfaction remains stable at around 83-85%, with strong performance in the Random cohort and clear improvement in Mental Health. However, persistent and significant underperformance in the EU cohort highlights a key equity and quality risk requiring targeted action.

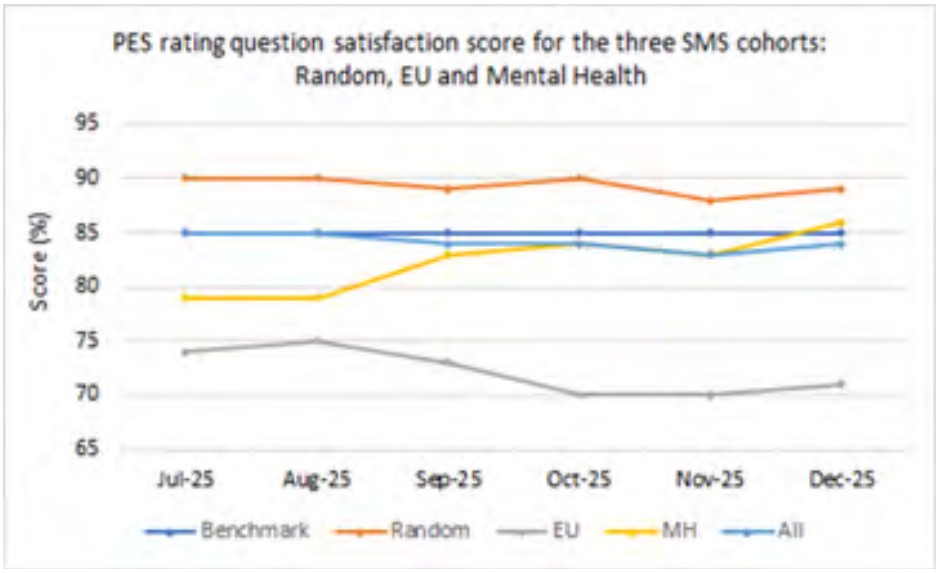


Image 33- Patient Experience Survey Satisfaction score

Tell Us in 2 Survey

The Tell Us in 2 Survey invites patients to share their recent experiences through an anonymous 2-minute questionnaire available in English and Welsh. The survey is advertised through posters, stickers, and signs featuring QR codes are placed around hospital sites and bedsides. The surveys are also offered in British Sign Language (BSL) and other languages, and animated versions are available for children. The questionnaire seeks open feedback so CAVUHB can identify compliments, best practice, or suggestions to improve services.

Examples of you said we did

YOU SAID	WE DID
Staff told us that it was sometimes difficult to support patients' communication needs when providing care in emergency settings or when diagnostic test is requested by the ward areas at short notice or through the night. Some areas had handheld devices to allow for the use of video interpretation. However, they said that this was not always practical, especially when communicating with patients who used British/Welsh Sign Language.	In response the Patient Experience Team worked with the Wales Interpretation and Translation Service (WITS) who provided 10 additional Interpreter Device on Wheels. A number of these devices have been provided to areas where booking an interpreter in advance may not always be possible. Currently we have devices in different areas of UHL & UHW. There is also a device in each of the Patient Experience offices that wards, and Clinical areas, can loan out on a short-term basis.
Befrienders on the Dialysis Unit and T5 Feedback from Patient Experience Surveys showed patients in these areas, unable to leave their beds or rooms during treatment or recovery, needed company.	The Digital Library Trolley visits T5 weekly, distributing activity packs and lending books, radios, and DVD players. Two befrienders visit T5 and two attend the Dialysis Unit each week, providing conversation, crafts, and nail painting. After receiving feedback about patient interest in audiobooks, the Digital Library Trolley repurposed donated tablets for this purpose, and relevant apps (like Sight Life and Cardiff Library) have also been installed. At present, the trolley provides books, activity packs, DVD players, radios, and films to inpatients. In 2025, a total of 998 books were distributed or loaned to patients. It is essential that we continue to seek and incorporate feedback to ensure equitable access to books for all individuals. Next Steps Audio book tablets were added to the trolley in February 2026 and loaned in a manner consistent with the current process for DVD players. The Patient Experience Team is partnering with Cardiff Council Libraries to place book stands in key hospital areas including the Children's Hospital, Concourse, Main Outpatients, and the Continuation Restaurant.

Documentation and communication were poor with complex referrals	Procedures have been updated. There is also better documentation with Multidisciplinary Team (MDT) meetings.
Care substandard and did not meet expectations – poor communication between health boards	This has been discussed in Quality Safety Experience meetings. There is increased knowledge in signposting to community services (including social care), and it is emphasised to medics on the importance of gaining information between health boards
Attitude and lack of empathy of receptionist staff	This has been discussed with People Services. Training has been delivered regarding emotional awareness and professional conduct.
NHS not accepting private ADHD diagnosis	The criteria has changed for accepting an appointment for an assessment

Good News Story

The Digital Stories Lead received numerous requests from staff members seeking training in Digital Stories. In response, a comprehensive training program was developed, offering two levels—basic and advanced (including video editing skills). This initiative facilitates the collection of real-time feedback from patients during their clinic visits, thereby providing immediate insights into their experiences. "Lived experience" denotes the distinct and personal perspectives individuals acquire through direct participation in specific situations. It encompasses real-life experiences, emotions, challenges, and lessons learned, influenced by a person's background, culture, beliefs, and circumstances. Within sectors such as healthcare, social services, and advocacy, lived experience is regarded as highly valuable due to its authenticity and its capacity to provide meaningful insights that inform decision-making.

3.11 Well-being of Future Generations (WFG) (Wales) Act Wellbeing Statement and Annual Reporting

As part of the routine annual planning cycle during 2025-2026, CAVUHB reviewed the well-being objectives, confirming no change to the objectives for the year. Within these objectives we have strengthened our work on wider sustainability issues beyond decarbonisation, including climate adaptation and biodiversity. Progress against our well-being objectives is demonstrated through our routine performance reporting against our IMTP or annual plan and ten-year strategy. You can find out more about our performance, and where it is reported in the Performance section of this report.

3.12 Governance Arrangements Relating to the WFG Act

Implementation of the Act sits within the governance structure for delivery of the Shaping our Future Well-being Strategy, with each of the portfolio boards set up to deliver on their respective strategic programme responsible for implementing the sustainable development principle and working towards the WFG goals, which we have mapped across the portfolios.

The Executive Director of Public Health remains the lead Executive for the WFG Act, and we continue to liaise closely with the Office of the Future Generations Commissioner.

In the partnership arena, we contribute to the statutory Well-being Assessments and Well-being Plans (one for Cardiff; one for the Vale) through our participation in the Public Service Boards, and deliver key actions in the plans, individually and together with partner organisations. In addition, the Executive Director of Public Health regularly chairs the Amplifying Prevention Board, bringing together our local authority partners and public health colleagues, to work together on long-term and prevention issues across our areas. Our objectives align with the objectives of the two Public Services Boards we sit on.

3.13 Case studies for 'Long-Term' and 'Prevention' Healthier Advertising in Cardiff and the Vale of Glamorgan

Cardiff and Vale Public Health Team have been working collaboratively with the Vale of Glamorgan Council and Cardiff Council around our shared goal, *'to reduce the unhealthy food and drink advertising on our streets'.* We know that what surrounds us shapes us. The advertising that we see on our streets is powerful and can influence what we buy and what we eat. Our children and our most disadvantaged communities are most vulnerable to this.

Through the National Institute for Health and Care Research (NIHR) Public Health Intervention Responsive Studies Teams (PHIRST) Research programme and the academic support of the NIHR PHIRST team, we have been able to hear from our communities. The research team spoke to children, young people and adults living in Cardiff and the Vale of Glamorgan and found awareness of adverts on display on our streets to be high, particularly amongst children and young people. People said that they had been influenced directly (purchasing the specific products or brands) as well as indirectly (purchasing similar products) by the adverts that they had seen.

Over the last year, both the Vale of Glamorgan Council and Cardiff Council have developed Advertising and Sponsorship

Polices that now include advertising restrictions for foods and drinks that are high in fat, sugar and or salt. This means that as the Councils renew their advertising contracts, these types of foods and drinks will no longer be promoted on the assets that they manage and own (for example at bus stops and on boards along our roads).

Changing the adverts that we see in the places where we spend our time, supports and enables opportunities for good food. These Advertising and Sponsorship Polices are a significant contribution to our local work through the Good Food and Movement Framework (2024-2030). This Framework sets out how, through a whole system approach, we will create change in our environments, our settings and to the opportunities that enable good food and movement for all.

Image 34- Advertising restrictions

Increasing staff flu vaccine uptake

Delivering the 2025-2026 CAVUHB staff influenza campaign was a joint effort between Primary, Community and Intermediate Care (PCIC), Occupational Health, Communications and Public Health teams. There was a sustained effort to increase vaccination awareness and uptake over the season. This included introducing a new model of vaccination delivery, developing targeted communication approaches and undertaking a dedicated staff survey.

Drawing on feedback from staff, a new roaming delivery model was added to the 2025-2026 offer to provide a creative solution to logistical barriers such as accessing clinic sites. Immunisations staff and champions were proactive in their efforts to reach teams on all floors of Health Board sites, providing a direct channel for staff to ask questions and discuss any concerns.

The 2025 flu staff survey incorporated the validated Vaccinations Attitudes Examination (VAX) scale to explore vaccine hesitancy. The findings from this survey will be used to inform 2026-2027 planning. In addition, the team co-produced a video with a member of staff who has a fear of needles to document the creative approaches available to overcome this barrier, including the use of a virtual reality headset.

Communicating effectively with staff was a key focus which required a joint effort across teams. Approaches included behaviourally informed websites and physical and digital posters featuring staff from groups with historically lower uptake, the QR codes for which were scanned over 1000 times. Social media

was also key, including a video of the Chief Executive encouraging uptake, and profiling vaccination team members and their roles. These efforts have led to staff influenza vaccination uptake increasing compared to the previous year. There was an 8% increase in uptake according to official Public Health Wales reporting.

Image 35- Staff Vaccination

Biodiversity and the biodiversity duty

Declines in biodiversity, and the increasingly apparent impacts of climate change on our natural environment, are a risk to the health of people in Cardiff and Vale and globally. The Environment (Wales) Act introduced an enhanced biodiversity and resilience of ecosystems duty (the 'section 6' duty) which applies to public bodies including the Health Board. The duty requires the Health Board to publish a report of what action it is taking to maintain and enhance biodiversity, at least once every 3 years; and to set out and regularly review a biodiversity action plan.

In December 2025 we reported on the biodiversity actions undertaken by CAVUHB in the previous three years, and from 2026-2027 we will follow best practice guidance and undertake this annually, with our biodiversity report being published on our website at the time of this Annual Report.

3.14 Welsh Language Regulations 2018

The Welsh Language Standards have given the organisation the opportunity to improve the level of Welsh language services we provide for our patients, services users and the wider population.

In 2025-2026, work continued to improve and strengthen compliance with the Welsh Language Standards.

The Equity and Inclusion Team report on matters related to the Welsh Language Standards to the People and Culture Committee who in turn provide assurances to Board. This includes risks associated with non-compliance and what steps they will take to ensure improved compliance with the Standards.

The Equity and Inclusion Team houses an assessment system to evaluate adherence to each of the 121 Welsh language standards. This system offers three levels of assurance: low, medium, or high. This assessment uses a RAG (Red, Amber, Green) rating system to indicate the level of assurance:

- Green: High level of assurance.
- Amber: Medium level of assurance.
- Red: Low level of assurance.

Key activities which have taken place in 2025-2026 include:

- Improving the registration of our staffs' Welsh language skills.

- Working with local organisations (e.g. schools and councils) to promote career opportunities within the Health Board and Welsh Language in the workforce.
- Improved staff awareness in the importance of Welsh language in healthcare.
- Improved opportunities for patients and service users to use their preferred language by implementing processes, monitoring, and sharing good practice.
- Encouraging staff members to sign up to the three funded Welsh Language learning opportunities available.
- A review of staff networks, including Rhwydiaith, which is a staff network for the Welsh language users of all levels throughout the Health Board.
- A focus on improving Welsh language services within the Mental Health Clinical Board, with mental health identified as a priority area within More than just words.
- Work with Clinical Boards to improve the Welsh Language service they provide for the patients and service users.
- The Welsh Language Translation Team have continued to provide an effective translation service for the Health Board, having translated over one million words last year.
- Three matters were raised by the Welsh Language Commissioner during 2025-2026 with two being resolved with no further investigation and a third ongoing. CAVUHB continues to work closely with the Welsh Language Commissioner's Office to resolve outstanding matters from previous years.

Total number of vacancies advertised 2025-2026 as:	
Welsh language skills are essential	0
Welsh language skills are desirable	1188
Welsh language skills need to be learnt when appointed to the post	0
Welsh language skills are not necessary	44
Total Number of vacancies advertised 01/04/2025 - 31/03/2026	1232

To address identified gaps in Welsh language provision, CAVUHB will strengthen the consistent use of its Welsh language skills assessment tool and increase targeted engagement with recruiting managers to support informed decision-making. This will ensure that, where a need is identified, vacancies are appropriately advertised with essential or desirable Welsh language requirements, supporting compliance with Welsh Language Standards and the delivery of bilingual services.

3.15 Sustainability Report

Environmental Sustainability

The world is on track to breach the 1.5°C global warming pathway, underscoring the urgent need to decarbonise healthcare operations and build climate resilience into our infrastructure and services. CAVUHB is committed to creating a system and culture of sustainability that delivers healthcare services which are environmentally responsible, equitable, timely and safe. The need to safeguard the planet is recognised under the Shaping our Future Wellbeing Strategy 2023-2035 strategy: Living Well, Caring Well, Working Together. In 2025 we enhanced focus through a new Sustainability and Climate Response Programme that focusses on the two overarching themes of decarbonisation and, embedding climate resilience to safeguard staff and patient care during extreme weather and climate-related events.

Following the release of the revised NHS Wales Decarbonisation Strategic Delivery Plan at the end of 2025, CAVUHB is developing a new Climate Response Plan. Alongside a focus on decarbonisation this will also incorporate actions required to build climate resilience in response to the climate risk assessment completed in 2025.

CAVUHB has an abundance of talented and dedicated staff who are striving to improve the environmental sustainability of their departments and the organisation. The Cardiff & Vale Green Group has been established who meet regularly to promote work and generate ideas and initiatives to improve environmental sustainability across the entire organisation.

One great initiative, Gloves Off, won the NHS Wales Spread and Scale Sustainability Award at a ceremony in June 2025. The initiative, led by members of the Critical Care team at the University Hospital of Wales and the Shaping Change team, tackled over-reliance of disposable gloves by encouraging staff to use gloves only when clinically necessary. Rooted in behaviour change, the campaign highlights the importance of good hand hygiene, the value of physical touch in care, and the environmental and financial cost of overuse. In comparison to the same period in 2024 (May to November), in 2025 the team ordered 2,051,660 less gloves, which equates to £66,482 less cost. This saves the equivalent carbon to return flights from London to Perth eight times

Image 36- Gloves Off team winning the NHS Wales Spread and Scale Sustainability Award

Inspired by the many excellent sustainability projects led by teams and others across Wales, our Dragon's Heart Institute have been supporting the Health and Social Care Climate Emergency National Programme to spread and scale successful sustainability initiatives across Wales through the delivery of a Climate Emergency Spread & Scale Academy and an associated Leadership Day. To date Spread & Scale Academy projects have avoided over 11.1 million kilograms of CO2e.

Public Services Boards

The Vale of Glamorgan Public Services Board along with Public Sector partners in the Vale of Glamorgan have formally expressed their commitment to tackling climate change by agreeing a Vale Public Services Board Climate Change Charter (https://www.valepsb.wales/Documents/Climate-Change/Climate-Emergency-Charter-English-Final.pdf). The Charter signs partners up to a set of principles including leading by example, taking positive action and reducing our impact, while recognising that approaches and plans for implementation within individual organisations may differ. Similarly, the Public Service Board in Cardiff has identified carbon reduction as a key priority and a partnership programme has been developed, led by the Council, CAVUHB is an active participant in this work.

Action Planning

CAVUHB aims to deliver sustainable and climate resilient healthcare in line with the national and organisational policy context set by the NHS Wales Decarbonisation Strategic Delivery Plan, the Well-being of Future Generations (Wales) Act, and the Health Board's Shaping Our Future Wellbeing strategy.

Delivering these aims requires sustainability and climate response to be embedded across all facets of the organisation's operations. To achieve this, CAVUHB will adopt a transformational, whole system approach, embedding sustainability both in long term strategic planning and in day-to-day service delivery.

At a national level, the NHS Wales Decarbonisation Strategic Delivery Plan has recently been refreshed and sets out the high level actions that NHS organisations are required to deliver and report against through to 2030. In addition, a Welsh Government health circular has mandated that all NHS Wales organisations undertake and report on an initial Climate Risk Assessment and develop a Climate Adaptation Plan.

Within this policy context, CAVUHB has developed a work programme to produce a Sustainability and Climate Response Plan, which will replace the previous CAVUHB Decarbonisation Action Plan 2024–2025.

To deliver a coordinated and sustainable response to climate change, CAVUHB has developed a comprehensive Sustainability and Climate Response approach. This is underpinned by three inter connected plans that together set out how the Health Board will reduce carbon emissions, embed sustainability across clinical and corporate activity, and adapt services to the impacts of a changing climate.

Corporate Sustainability and Decarbonisation Plan

This plan localises the refreshed NHS Wales Strategic Delivery Plan actions and sets out corporate level decarbonisation actions across areas such as estates, fleet, procurement, and planning.

Clinical Sustainability and Decarbonisation Plan

This plan contains actions and projects that support the decarbonisation of health pathways, developed and delivered within each Clinical Board.

Climate Adaptation Plan

This plan focuses on identifying and mitigating the impacts of climate change on healthcare delivery across the Health Board.

Measurement of the overall macro level impact of this programme will be achieved

through annual carbon reporting submitted to Welsh Government each September, enabling year on year comparison of emissions. Progress on climate adaptation will be assessed through monitoring how effectively climate related risks and impacts on healthcare delivery are mitigated over time.

Task Force on Climate-related Financial Disclosures (TCFD) Compliance Statement

CAVUHB considers climate change to be a principal organisational risk and has therefore aligned its approach with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). CAVUHB's position against the TCFD pillars is set out below.

Governance

In 2025–2026, CAVUHB established a two tier Sustainability and Climate Response Programme, structured around two core delivery themes: decarbonisation and climate adaptation.

Delivery is supported through the Sustainability and Climate Response Delivery Group and the Clinical Sustainability Leads Working Group, which is responsible for decarbonisation across corporate and clinical services. In parallel, the Climate Adaptation Working Group is responsible for undertaking climate change risk assessments and designing appropriate adaptation responses.

The Senior Responsible Officer (SRO) for the Sustainability and Climate Response Programme is the Executive Director of Finance.

Risk Management

Climate change is recognised as a Board level risk. The Board Assurance Framework (BAF) has therefore been updated to include Sustainability as a Strategic Risk.

In addition, and in line with the established risk management processes, Sustainability and Climate Response risks are managed through the risk management platform via a designated business unit structure. Risks identified by sub groups are escalated to the Programme Board for review and management. Risks requiring Board level oversight are escalated to the Strategic Leadership Team (SLT) through reporting via the Board Assurance Framework.

Metrics and Targets Carbon Management

CAVUHB undertakes an annual carbon footprinting exercise each September for the preceding financial year, in line with Welsh Government net zero reporting requirements. This provides CAVUHB with comprehensive emissions data, supporting the evaluation of decarbonisation interventions and the identification of priority areas for further action.

CAVUHB's Scope 1–3 emissions for 2024–25 are set out below:

- **Scope 1:** 28,465 tonnes CO_2e
- **Scope 2:** 5,613 tonnes CO_2e
- **Scope 3:** 226,013 tonnes CO_2e

NHS Wales has set targets to reduce emissions (across all scopes) by 16% by 2025 and 34% by 2030. At present, there is no clear line of sight to achieving these targets.

The Shaping Our Future Wellbeing Strategy further sets an ambition for emissions under the direct control of CAVUHB to reduce by 40% by 2027 and 68% by 2035. A dedicated plan will be developed during the year to establish pathways for achieving the emission reduction.

Climate Risk Management

In line with Welsh Government requirements, CAVUHB has completed its first Climate Risk Assessment, identifying 32 high level climate related risks. These risks have been reviewed and signed off by the Strategic Leadership Team and submitted to Welsh Government.

During 2026–2027, mitigation strategies for these risks are being explored as part of developing the Climate Adaptation Plan. Recognising the inherent uncertainty associated with climate impacts and the complexity of climate risk scenarios, CAVUHB is adopting an iterative approach, with both risks and responses reviewed and adapted as evidence and understanding evolve over time.

Emission Scenario

CAVUHB is committed to working towards the challenging targets set out in the NHS Wales Decarbonisation Strategic Delivery Plan. This plan outlines a series of aims and initiatives for Health Boards across Wales to contribute to national decarbonisation objectives, including the Welsh public sector ambition to achieve net zero by 2030.

CAVUHB applies the emissions measurement methodology prescribed by Welsh Government to calculate and report its carbon emissions annually.

In 2024–2025, CAVUHB reported total carbon emissions of 260,091 tonnes of carbon dioxide equivalent (tCO_2e) across Scopes 1–3. This represents an increase of 79,966 tCO_2e (44.39%) compared with the previous year. The increase was driven primarily by Scope 3 emissions, reflecting the scale of the supply chain activity and service related demand. Increases were observed across all three emissions scopes.

A breakdown of emissions by sector for 2024–25 is set out below:

Sector	Emissions (tonnes CO2e)	% of total emissions
Buildings	38,183	14.7%
Fleet and Transport	6,501	2.5%
Waste	996	0.4%
Supply Chain	212,472	81.7%
Medical gases	1,939	0.7%
Total	260,091	

The majority of emissions (81.7%) arise from the products and services required to deliver healthcare. This includes medicines, personal protective equipment, medical and surgical devices, catering, and a wide range of other goods and services across the healthcare supply chain. Achieving meaningful reductions in emissions therefore requires coordinated, system wide action across both corporate functions and clinical services.

The emissions increase observed in 2024–2025 should be considered in the context of evolving reporting methodologies and wider system pressures. Currently, emissions associated with purchased goods and services are estimated using emissions factors linked to suppliers' Standard Industrial Classification (SIC) codes and levels of spend. A recent national review undertaken by NHS Wales Shared

Services Partnership to improve supplier emissions factor allocation has resulted in more comprehensive capture of supply chain emissions. This methodological improvement has contributed to higher reported emissions for CAV UHB compared with previous years.

In addition, rising patient demand and activity levels across NHS Wales have resulted in increased resource use to deliver healthcare services, further contributing to reported emissions increases. These factors are consistent across NHS organisations and do not solely reflect deterioration in carbon reduction performance.

CAVUHB's emissions for 2025–2026 will be reported to Welsh Government in September 2026, in line with national reporting requirements, and then subsequently reported into the 2026-2027 Annual Report.

Key challenges to achieving sustained carbon reduction include:

- Increasing healthcare demand and activity levels
- Carbon emissions locked into existing models of care, infrastructure, and supply chains
- The need for stronger and more consistent embedding of sustainability considerations within routine healthcare delivery

Addressing these challenges will require long term investment, cultural change, and integrated action across the organisation to transition towards more sustainable models of care. The solution to these challenges will be further explored in producing the Sustainability and Climate Response Plan 2027-2030.

4. Quality Governance Arrangements

An essential feature of the control framework is ensuring there is a robust system for measuring and reporting on the quality of our services. Our Quality Committee provides timely evidence-based advice to the Board to assist it in discharging its functions and meeting its responsibilities with regards to quality and safety as well as providing assurance in relation to improving the experience of all those that come into contact with our services. All groups in the Quality structure report through the Clinical Safety Group or Clinical Effectiveness.

The Health Board Assurance processes are organised under four categories. The control Frameworks include the Evidence based guidance, health pathways and quality statements that govern the way we provide care. Management Review processes include the Health Boards Quality structure including the clinical advisory groups that sit under the Quality Committee. Local Audit systems include local clinical audit, mortality reviews and patient safety incident review processes and finally the Health Board has External Assurance bodies such as Healthcare Inspectorate Wales, Llais, commissioned Royal College reviews and from the Welsh Risk Pool.

4.1 Digital & Transformation Quality Work

Whilst financial challenges are well publicised, progress continues to be made with digital improvements.

The Digital and Health Intelligence (D&HI) function supports c45 active projects at any one time and over c100 projects a year of varying size and complexity.

In 2025-2026, CAVUHB achieved major digital milestones, including licensing all staff for Microsoft 365, deploying the Welsh Nurse Care Record for adults, and implementing electronic prescribing and medicines administration (EPMA) across 70% of its wards including being the first ED department in Wales to go live with EPMA.

Maternity systems were upgraded, the NHS Wales App expanded for referrals and appointments, and regional data sharing improved through the Summary Care Viewer and urgent care/child-at-risk information integration.

Other key projects include the Cancer Wrapper for cross-organisation booking, a new PROMS platform, the Common Demographics Service and Scan4Safety . We have made a series of infrastructure upgrades and have upgraded our inhouse developed patient administration system (PAS).

Security is continuously strengthened and major national and local initiatives contributing to the development of the National Target Architecture and the Digital Foundations programme business case including Year 1 business justification cases.

Shaping our Future Digital Services

Current digital capability and infrastructure is no longer fit for purpose, leading to inefficiencies, safety risks, and operational challenges. Continuing as we are, is not considered a sustainable option.

Digital and Health Intelligence has produced an investment case that aims to put in place the digital foundations to facilitate achievement of the strategy and associated plans including for clinical services, cancer, public health with digital, data and technology (DDaT) solutions by improving infrastructure, introducing and improving core clinical and operational digital capabilities.

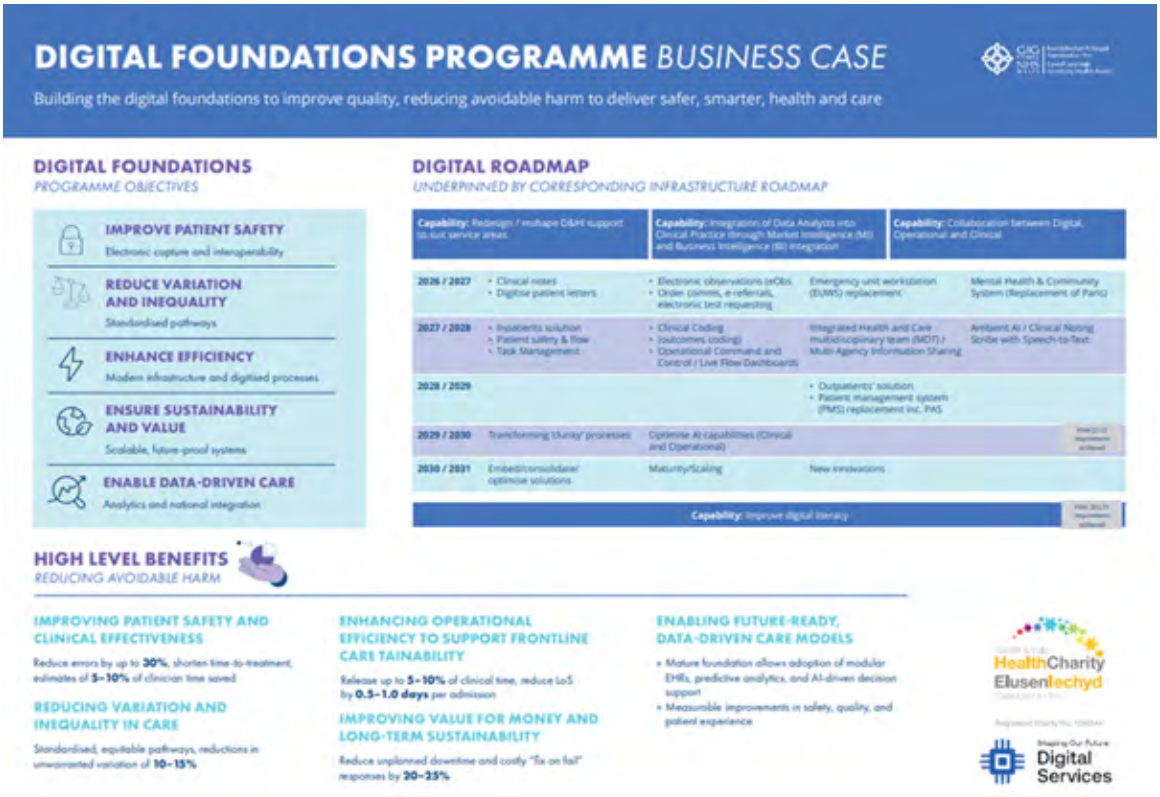


Image 37- Digital Foundations Programme business case

The aim is to help improve quality by reducing avoidable harm to deliver safer, smarter, health and care by:

- helping create conditions for better, safer ways of working
- reducing technical debt
- facilitating meaningful transformation over time, enabling full optimisation of DDaT solutions and,
- better alignment as a function with service staffing & ways / needs of working

Strategically for 2026-2027 the digital focus is to:

- Continue to support the implementation of national solutions such as RISP, LIMS, WICIS, Digital Cellular Pathology, NHSWales App et al and deliver on Ministerial priorities
- Make continual incremental improvements by responding to in-year requirements from Clinical and Corporate Boards, focussing on priorities jointly determined with those Boards within the context of the resources and skills available
- Implement the 5 year Digital Foundations programme business case with support from Welsh Government. This includes securing support and funding as well as replacing our Mental Health and Community application through the national Connecting Care programme

Artificial Intelligence (AI)

CAVUHB is using Artificial Intelligence (AI) to enhance digital services, support efficiency and improve patient care across clinical settings.

Examples of AI in use in clinical areas are shared below. It is important to note that these tools support clinical decision-making, they do not constitute solely automated decision-making.

- Patients attending an emergency setting book in on arrival to a system that then uses an algorithm to prioritise patients by clinical need. Prioritisation is reviewed by a triage nurse.
- Supports direct care for stroke patients reducing time to treat thus increasing the number of patients that can be treated.
- Supports remote monitoring of diabetic patients with a triage based on established clinical parameters that provides the clinical team with a traffic light performance rating
- Objective test that measures core ADHD symptoms: activity, attention and impulsivity.
- Digital wound management app to scan patient wounds. App uses deep learning artificial intelligence that converts the scan into 3D images, auto-calculates the area of the wound and auto-recognises tissue types.
- Facial scan to detect micro muscular movements of the face that are indicative of pain, used to support patients who cannot verbalise their pain

As the market and products mature, we receive increasing offers of solutions that may or may not demonstrate good utility. As CAVUHB is keen to participate in and support innovation, considerations are being made to governance around AI, linking with the Clinical Design Authority to ensure that learning is shared and where benefits are identified and realised that we have both the governance and assurance in place to quickly scale.

5. Delivering in Partnership

In many areas, CAVUHB works with partners to develop and deliver plans for improving the health and well-being of our population, and to deliver services collaboratively. Our partners include other NHS Wales organisations, the two local authorities (Cardiff Council and the Vale of Glamorgan Council), the Third Sector and independent providers.

5.1 Cardiff and Vale Regional Partnership Board (CVRPB)

CAVUHB hosts the team that works on behalf of Regional Partnership Board (RPB) partners. During the year the team has supported health and care teams to deliver a range of initiatives and services designed to provide citizens with early help and support when they need it to keep people living safely and well in their own homes.

Cardiff and Vale Regional Partnership Board includes representatives from Cardiff and Vale University Health Board, Cardiff Council, the Vale of Glamorgan Council, the Welsh Ambulance Service NHS Trust, housing, third and independent sectors and unpaid carer representatives.

The Board is established under the requirements of the Social Services and Wellbeing Act (Wales) 2014 and operates with the following governance arrangements. Its purpose is to improve the wellbeing of the population and improve how health and care services are delivered.

CAVUHB hosts the RPB partnership support team on behalf of the RPB and acts as the 'banker' and administrator for funding streams routed through the partnership, in particular the Regional Integration Fund of circa £19.2m and capital funding streams.

The RPB's annual report for 2024-2025 can be found here. The annual report for 2025-2026 will be published in June 2026 and will be published here.

In the last 12 months, the RPB has achieved some significant milestones on behalf of the partnership:

i) Digital Care Region – a multi-agency partner programme to create digital capability to support the delivery of integrated care services delivering a Summary Care Viewer across intermediate care and safeguarding services
ii) Capital developments – facilitating the delivery and funding of capital schemes across the partnership including securing funding for Ely Parkview and enabling Vale of Glamorgan Council to acquire a facility in Thompson Street, Barry to create an integrated care hub
iii) Integrated community care system-significant progress in developing the care models for Enhanced Community Care, chiefly through PCIC Clinical Board and the launch of the Safe@home service which is directly preventing avoidable EU attendances and subsequent admissions; and significant progress in reducing days delayed leaving hospital by 30% and average length of stay by 34%. PCIC services have co-located with Cardiff Council Services in the newly opened Llys yr Goetre housing with care scheme enabling better coordinated care for people living in St Mellons.
iv) For dementia, Cardiff and Vale's Dementia Champion's Network is led by people with lived experiences and acts as a scrutiny and sense checking group for the wider dementia programme. It has become a "special place, for learning and reflecting" with professionals and people affected by dementia committed to co-producing change and improving services.

The RPB continues to lead significant partnership delivery programmes within the life stage portfolios of Starting Well, Living Well and Ageing Well, addressing its obligations to improve how health and care services are delivered.

RPB in numbers:

- **Integrated Discharge Service, 2025-2026:**
  - Approximately 818 patients triaged per quarter
  - Reduced Pathway of Care Delays by 18%.
  - Developing trust and culture across organisations
  - 67 people admitted to step-down discharge to assess care home beds
- **Safe@Home:** our new multi-agency, multi-professional crisis response service. In 2025-2026:
  - 853 citizens supported
  - 673 hospital admissions avoided
  - 9,991 bed days saved – the equivalent of around 27 hospital beds
- **Goleudy:** multi-agency team supporting children and young people in extreme emotional distress. Originally to support safe hospital discharge, now re-focused on admission avoidance. Supporting 16 children and young people on average per quarter in 2025-2026.
- **Cluster-based working:** prevention-focused services including social prescribing – supported 24,570 people in 2025-2026.
- **2 Staff with lived experience of learning disabilities:** awareness raising across 877 health professionals and engagement with 120 people with lived experience.

5.2 Regional Healthcare Services

South East Wales Regional Joint Committee

During the year CAVUHB, alongside Aneurin Bevan University Health Board (ABUHB) and Cwm Taf Morgannwg University Health Board (CTMUHB), continued to build on many years of collaborative working. This partnership was formalised in October 2025 with the establishment of the South East Wales Regional Joint Committee (RJC). All three Boards approved the RJC's Terms of Reference, setting out a shared purpose, objectives and governance framework to support regional planning and decision-making.

Orthopaedics

The regional orthopaedics programme continued to deliver sustainable, high-quality and equitable care, with improved outcomes and productive, efficient services across South East Wales.

In September 2025, all partner Boards endorsed a Regional Orthopaedic Plan. Which highlighted a significant gap in lower-limb arthroplasty capacity across the region. The findings informed the development of the Outline Business Case for a Regional Arthroplasty Surgical Hub at Llantrisant Health Park (LHP). Work will continue over the coming 12 months to further develop plans to meet this capacity gap, including detailed workforce and financial planning with particular emphasis on agreeing primary arthroplasty pathways. This work will directly support the development of the Full Business Case for the LHP Surgical Hub.

Regional Diagnostics

The Regional Diagnostics Programme is responsible for developing long-term, sustainable plans across core diagnostic areas.

Radiology

In 2025, Welsh Government approved a Full Business Case for a Community Diagnostic Hub at LHP, providing regional radiology capacity to support demand and reduce waiting lists. This case was informed by a regional radiology plan that identified a demand and capacity gap across South East Wales. While Cardiff and Vale UHB currently has sufficient local capacity, it continues to work collaboratively within the regional programme to support the delivery of accessible, high-quality radiology services for the region.

Endoscopy

A regional endoscopy plan produced in 2025 showed ongoing pressure, with many patients waiting longer than the 8-week diagnostic target. National modelling indicates a continued rise in demand due to symptomatic presentations and expanded bowel screening, with a projected capacity shortfall for the region.

The Regional Diagnostics Full Business Case includes the development of 6 JAG-compliant endoscopy rooms at LHP which is anticipated to open in 2027. This will improve regional resilience, increase capacity for future growth, and support training and workforce development.

Pathology

A non-financial options appraisal in 2024 recommended centralising Cellular Pathology processing and consultant reporting onto a single site, supported by a joint management model. Planned work for 2026-2027 includes developing a draft Schedule of Accommodation, completing a financial options appraisal and progressing a regional business case for a unified Cellular Pathology Service.

Ophthalmology

The regional ophthalmology programme aims to deliver timely, high-quality and sustainable eye care services with improved outcomes for patients. Over the past year, the programme has significantly increased cataract activity—treating approximately 13,000 patients across core and regional hubs—supported by outsourcing and targeted surge plans.

A coordinated regional operating model has been established, with consistent booking processes and strong clinical collaboration. Digital transformation has advanced through the implementation of OpenEyes, the national ERS rollout, and shared regional data and reporting systems.

Cancer

Launched in 2025, the regional cancer programme provides strategic leadership across South East Wales to strengthen prevention, early diagnosis, treatment and palliative care. Velindre NHS Trust plays a central role as an associate member of the RJC.

Over the past 12 months the programme has undertaken a baseline review of regional cancer strategies, identifying opportunities for alignment with national priorities. Phase 1 priorities have begun, including MDT modernisation, workforce planning, development of a shared Patient Treatment List, collaboration on a new regional radiotherapy model, and work on Prehab to Rehab and Haem-oncology pathways. A key milestone was the opening of the regional radiotherapy unit in October 2025.

5.3 Specialised and Tertiary Services

During 2025-2026, work continued to strengthen focus on the delivery of safe, effective and sustainable specialised and tertiary services through the Tertiary Services Development Group (TSDG) and the Regional Specialised Services Provider Planning Partnership (RSSPPP), working in partnership with Swansea Bay University Health Board (SBUHB).

Both groups are supported by a small dedicated tertiary services team, jointly funded with SBUHB, which has oversight of the partnership portfolio and is responsible for coordinating planning, assurance and delivery activity for both organisations.

Tertiary Service Development Group (TSDG)

Throughout 2025-2026 the TSDG continued to play a critical role in advising the Strategic Leadership Board on the effective and efficient delivery of the Health Board's portfolio of specialised services. The group operated in line with its established standard operating procedures, which define the criteria and processes for identifying specialised services, assessing and validating risk, responding to commissioner requirements, managing service change and, where necessary, notifying commissioners of service suspension or closure.

The group's work during the year was informed by the annual refresh of the Tertiary Services Baseline Assessment, enabling a consistent and structured appraisal of service sustainability, workforce risk and commissioning alignment across the portfolio. This has strengthened organisational oversight and ensured escalation routes were clear where risks exceeded local tolerances.

Regional Specialised Services Provider Planning Partnership (RSSPPP)

The RSSPPP continued to provide a key regional forum for the planning and coordination of specialised services for the populations of South Wales, West Wales and South Powys, including services outside the remit of the NHS Wales Joint Commissioning Committee (NWJCC). The group provided regular briefings to the NHS Wales Chief Executive Management Team (CEMT) and supported progression of a number of significant programmes during 2025-2026, including:

- Finalisation, consultation and approval of the Service Specification, Equality Impact Assessment and implementation plan for the Gynaecological Oncology Surgery Service Model, with the programme now progressing through detailed option appraisal and implementation planning.
- Establishment of a programme to develop an Operational Delivery Network (ODN) for Cardiac Surgery in South Wales, as an interim step towards a clinically optimal single-site model, including agreement of governance, project structures and early work to support waiting time equalisation between organisations.
- Continued oversight of the Hepato Pancreato Biliary (HPB) Service Model Programme, including formal consideration of commissioning and funding risks associated with Severe Acute Pancreatitis (SAP) and their impact on service sustainability.

During the year, the tertiary services team worked closely with the NWJCC to inform the development of the NWJCC Integrated Medium Term Plan (IMTP) through structured risk assessment of specialised services across both Health Boards. The team also supported a partnership approach to the review of cardiac surgery services in South Wales, ensuring close alignment between provider planning, commissioning intentions and national clinical expectations.

6. Our People

6.1 People and Culture Plan

The People and Culture Plan remains central to delivering the Health Board's strategic objective of Putting People First, recognising that our workforce is fundamental to the quality, safety and sustainability of services provided to our patients and communities. The Plan sets the framework for improving staff experience and engagement while building a workforce that increasingly reflects the diversity of the population we serve. During 2025-2026, delivery of the Plan continued within the context of sustained operational and financial pressures, with a focus on strengthening the core foundations that support staff to deliver high-quality care.

The People and Culture Plan 2022–2025 reached its final year during 2025-2026 and is now well embedded across Clinical Boards and corporate services, with regular reporting demonstrating progress against its objectives. A planned refresh of the Plan has been paused to ensure alignment with the emerging Clinical Services Plan and wider organisational priorities. The existing Plan, however, continues to provide a relevant strategic framework, and work during the year remained focused on delivering its core ambitions while supporting organisational stability and service delivery.

During 2025-2026, delivery focused on strengthening the workforce foundations needed to support service recovery and performance under continued operational pressure. Effort was concentrated on getting the fundamentals right, including improving staff wellbeing and attendance, strengthening leadership and management capability, and improving workforce planning capability. This "back to basics" approach aimed to improve workforce availability, support workforce sustainability, and ensure staff felt supported and able to deliver high-quality care.

During the year, progress was made in strengthening organisational grip and consistency across several core workforce areas. Improvements were seen in workforce oversight and vacancy management, alongside action to reduce reliance on temporary staffing and improve deployment of substantive staff. Continued focus on staff wellbeing, engagement and management capability contributed to early improvements in sickness absence trends and strengthened arrangements for listening and responding to staff feedback. Progress was also made in improving appraisal and job planning arrangements, strengthening workforce data and insight, and advancing equality, inclusion and Welsh language commitments, helping to create a more stable platform for workforce delivery across the organisation.

Looking ahead, CAVUHB will continue to build on this progress, maintaining focus on staff engagement, inclusion and workforce sustainability while aligning future People and Culture priorities to emerging service models and organisational transformation. Strengthening the experience and support available to staff will remain central to delivering safe, effective and sustainable care for our population.

6.2 Attract & Recruit People and Culture Plan

The shortages of key professionals and workers in the NHS is well publicised and is a challenge faced by all NHS organisations nationally. The inability to recruit staff with the right skills and experience can be a serious constraint to providing high quality patient care. This year we have continued to focus on the following 3 key themes to ensure we are able to attract and retain the staff required to deliver our services to a high standard:

Promotion of NHS Job Opportunities

Many the population are unaware that the NHS has over 350 different roles available for employment. There has been a large focus over the past year on ensuring that we reach as many prospective candidates as we can to promote the large and diverse number of job opportunities, we have on offer. The response has been very encouraging and many of those we communicated with would now consider pursuing a career with CAVUHB or the NHS in general.

Shortage Professions

We have worked closely with several universities, colleges, schools and many public sector career assistance organisations which has had a big impact on recruiting to many of our long-term vacancies. Our largest proportion of the workforce is nursing staff and there has been a great success in reducing our vacancy factor from over 13% to below 2% over the past few years.

Inclusive Recruitment

Inclusive recruitment remained central to the workforce strategy in 2025-2026. This was recognised when the People Resourcing Team won 'Recruitment Initiative of the Year' at The National HR Awards in London. They were also highly commended for the 'Equality and Inclusion Initiative of the Year' for the range of widening access work they had undertaken. CAVUHB continues to develop and maintain strong relationships with local community groups and partner organisations to improve access to employment for individuals who may experience barriers to entering the workforce.

As an anchor institution and one of the largest employers in the region, CAVUHB recognises its role in supporting economic and social wellbeing. Given the levels of deprivation within parts of Cardiff and the Vale, targeted initiatives continue to focus on those communities where employment opportunities can have the greatest impact. Some of the key achievements over the past year have included:

- **DFN Project Search** – Work continues to deliver the Project Search supported employment programme for young people with learning disabilities and/or autism, providing a proven pathway into sustainable employment. During 2025-2026, the programme has focused on securing lasting employment outcomes and strengthening host department commitment. Seven interns are currently placed across CAVUHB, all with clear potential to progress into paid employment on completion. The impact of the programme is further demonstrated by a former intern from the previous cohort receiving an award in recognition of their outstanding contribution and 16 individuals employed from commencement of the programme in 2021.

- **Schools, Colleges and Universities Engagement** – In partnership with Cardiff Commitment and Careers Wales, CAVUHB continues to actively promote NHS careers to young people across the region. During 2025-2026, activity has prioritised early engagement, targeted outreach within areas of deprivation and clear messaging around vocational and non-traditional career pathways. To date, CAVUHB has attended 33 school, college and university events, reaching a significant number of students, alongside five community engagement events and seven DWP Jobcentre presentations supporting individuals seeking employment. In addition, two Pharmacy Department taster sessions were delivered to provide young people with direct insight into NHS roles and working environments.

- **Widening Access Partnerships** – Work continues to work with the Prison and Probation Service, homelessness organisations, the care sector, and refugee support services to offer work experience and employment opportunities to individuals who might not otherwise have access to them.

Apprenticeships

The past year has been a year of continuous progress for the Apprenticeship Academy, with continued focus on widening access, skills development and increasing awareness. During the year, seven new apprentices were appointed across key administrative and technical areas, while eight apprentices successfully completed their programmes, with the majority progressing into further roles within the organisation. Uptake among existing staff remained strong, with 120 colleagues enrolled on a broad range of qualifications, including new frameworks such as Cyber Security and User-Centred Design. A total of 186 existing staff members completed their qualifications.

Awareness and engagement activity continued to grow, supported by delivery of 'Apprenticeship Week Wales' signposting in February 2026, the launch of a refreshed external Apprenticeships webpage, and ongoing improvements to the SharePoint site for staff. In February, as part of 'Apprenticeship Week Wales' we celebrated the amazing achievement of one of our dedicated housekeepers, Ifeoluwa Anipupo who won the 'Essential Skills Learner of the Year' award at the ACT Training 'Success through Skills' Awards. Ifeoluwa completed her essential skills in record time as part of her overall apprenticeship qualification and achieved this while learning English as a second language. As part of our widening access acitivies, we were also nominated by Careers Wales as part of their 'Valued Partner' Awards in the 'Outstanding Achievement' category.

Regular apprenticeship awareness sessions were delivered through Essential Management Skills training and Corporate Induction, supporting a more consistent organisational understanding of available pathways. The Apprenticeship Academy continues to play an important role in developing the workforce, supporting progression routes, and creating accessible entry points into the organisation.

During 2025-2026, CAVUHB strengthened sustainable workforce supply through international recruitment capability, internal progression pathways and education commissioning aligned to future service models. The focus remained on reducing reliance on external labour markets while building long-term workforce resilience.

Key developments included:

- Achievement of regional OSCE training centre status, enabling 24 internationally educated nurses to successfully complete the NMC Mental Health OSCE, strengthening local international recruitment capability.
- Expansion of "grow our own" pathways:
  - 28 Healthcare Support Workers commenced part-time nursing degrees.
  - 20 registered as nurses.
  - 54 enrolled on the Certificate in Higher Education aligned to Year 1 of nursing.
- 433 nurses, midwives, AHPs and healthcare scientists received commissioned education funding aligned to service transformation priorities.
- 186 staff completed apprenticeship qualifications, with a further 120 enrolling in new frameworks, including digital and technical disciplines.
- Over 1,300 students supported on placement, with 808 new practice assessors and supervisors trained to increase placement capacity.

Collectively, these initiatives strengthen long-term workforce sustainability, widen access to clinical careers and improve future supply pipelines

6.3 Retaining our People

Retaining our people remains one of the most significant workforce priorities. In a system facing national workforce supply challenges and sustained operational pressure, every colleague who chooses to stay with us represents continuity of care, retained expertise and stability for patients and teams.

Targeted recruitment and retention initiatives implemented over a sustained period have contributed to improved workforce availability. While challenges remain in specific roles, the workforce landscape across Wales has changed significantly, with vacancy rates in some professions, including nursing and midwifery, falling to historically low levels. Looking ahead, achieving an appropriate balance between workforce supply and demand over the next three to five years will be critical, particularly in the context of an ageing workforce and population, declining healthy life expectancy, a falling birth rate, and reduced university application rates. In addition, the future workforce is expected to seek greater flexibility, alternative education pathways, and portfolio career opportunities. Workforce planning must therefore continue to evolve, with refreshed and targeted retention strategies that respond to the changing expectations, needs, and availability of the future workforce.

During 2025-2026, the focus has been on strengthening the conditions that influence whether people remain and thrive within the organisation. This has included deepening our understanding of culture and leadership in priority areas, improving internal career opportunities, strengthening management capability, and listening more effectively to staff feedback.

While progress has been made in several areas, retention remains closely linked to wider challenges such as workload, wellbeing and leadership consistency. The work undertaken this year has therefore concentrated on building stronger foundations, ensuring that colleagues feel valued, developed, supported and engaged, and that leaders are equipped to create environments where people want to stay.

Retention activity during 2025-2026 focused on strengthening leadership consistency and cultural conditions, recognising that day-to-day leadership experience is a primary driver of workforce stability.

Organisational culture was assessed using triangulated insight from the NHS Wales Staff Survey, workforce metrics, speaking-up intelligence and Board assurance processes. This intelligence informed targeted intervention and strengthened follow-through on staff feedback.

Key developments included:

- Targeted delivery of the Culture and Leadership Programme (CLP) in areas identified through survey insight.
- Focused organisational development support following service reviews, including Theatres Together, to rebuild trust, clarify accountability and improve behavioural standards.
- Staff Survey participation increased from 26.8% in 2024 to 34.8% in 2025 (+8 percentage points), improving the robustness of employee voice data and reflecting greater engagement with organisational listening and follow-through processes.
- Establishment of a strengthened Leadership and Management function, including appointment of a Head of Leadership and Management, to provide clearer strategic direction.
- Introduction of Optimising Operations, focused on Band 8c General Managers, to strengthen operational grip, clarify accountability and improve performance discipline in services under sustained pressure, developed in alignment with HEIW programmes to support implementation of the Ministerial Advisory Group (MAG) recommendations.
- Development and testing of the interprofessional Elev8 Clinical Managers' Programme following organisation-wide needs analysis.
- Continued delivery of Restorative Clinical Supervision, with 33 trained supervisors and 556 staff accessing at least one session.
- Launch of the revised Nurse preceptorship programme with strong uptake and positive participant feedback (4.2/5 enjoyment; 4.3/5 usefulness).

Together, this work aims to reduce variation in staff experience, strengthen psychological safety and improve leadership credibility across services.

6.4 Workforce Wellbeing

The health and wellbeing of our workforce remains fundamental to delivering safe, effective and compassionate care. During 2025-2026, demand for wellbeing and psychological support has continued to increase, reflecting the sustained operational pressures, and external pressures, facing healthcare services. As a result, waiting times for counselling and trauma pathways have lengthened, highlighting both the scale of need within the workforce and the importance of strengthening early and preventative support.

In response, CAVUHB has expanded its therapeutic offer, introducing and enhancing evidence-based interventions including SPRING, Interpersonal Therapy (IPT) and Eye Movement Desensitisation and Reprocessing (EMDR). Alongside this, the Managing Attendance at Work training programme has been revised to better equip managers to have early, supportive conversations and to apply reasonable adjustments confidently and consistently. Sickness absence panels have also been reintroduced to provide stronger oversight, support earlier intervention and ensure consistent application of policy.

While pressures remain, this year has been characterised by a renewed focus on shared accountability, recognising that workforce

wellbeing is not solely a specialist service function, but a leadership and management responsibility embedded across the organisation. Strengthening prevention, improving consistency of management practice and targeting support where risk is highest will remain key priorities for 2026-2027.

During 2025-2026, workforce wellbeing activity combined strengthened therapeutic provision, improved Occupational Health performance and enhanced system insight, recognising the sustained operational pressures facing staff.

Employee Wellbeing Service

The Employee Wellbeing Service continued to deliver stepped-care psychological support, including counselling (EMDR, IPT, SPRING), guided self-help and trauma pathways.

Key developments included:

- All counsellors achieving BACP accreditation, strengthening clinical governance.
- Progress toward full digital transformation, with OPAS electronic clinical records planned for go-live in April 2026.
- Commencement of an Assistant Director-led review of staff health and wellbeing arrangements to ensure sustainability, equity and trauma-informed practice (no preferred model identified at this stage).

Occupational Health – Collaborative Model

The collaborative Occupational Health model between CAVUHB and Cwm Taf Morgannwg continued to mature. As the first formal collaborative OH arrangement in NHS Wales, it pools clinical expertise and governance capacity to strengthen resilience and mitigate specialist workforce scarcity.

Performance under the collaborative model remained strong:

- 95% case management compliance in recent months (KPI: 29 days).
- 90%+ pre-placement clearance compliance (KPI: 7 days).
- 98% physiotherapy self-referral compliance (KPI: 14 days).

Organisational insight highlighted variation in manager confidence in applying attendance policy, referral quality and timeliness of intervention. Implementation of OPAS G2 and joint sickness panels improved referral quality and policy consistency, and a rapid-access pre-referral advice pilot for managers is in development to strengthen early intervention and reduce avoidable absence.

Work was also undertaken to analyse workforce vaccination uptake, identifying access barriers related to shift patterns and location, with targeted actions introduced to improve equitable access.

Overall, this activity strengthens both reactive and preventative elements of workforce wellbeing

6.5 Equity, Diversity and Inclusion

Creating an inclusive organisation where all colleagues feel respected, valued and able to contribute fully is central to our People and Culture ambition and to delivering equitable care for our communities. During 2025-2026, work has continued to embed the Strategic Equality Plan (2024–2028), aligning equality, diversity, human rights and Welsh language commitments with our wider organisational priorities.

Progress this year has included setting the foundations to strengthen staff networks, advancing our Anti-racist Wales commitments, beginning implementation of the Workforce Race Equality Standard, and increasing visibility of inclusion activity across the organisation. Engagement with staff and community groups continues to inform our understanding of lived experience and areas requiring further action.

While important foundations are in place, this remains developmental work that requires sustained leadership commitment, transparency and accountability. Building a workforce that reflects and understands the communities we serve is not solely a compliance requirement; it is integral to quality, safety and trust.

Equity and inclusion were embedded across workforce initiatives rather than delivered as standalone activity. The focus during 2025-2026 was on ensuring access to opportunity, development and wellbeing support was equitable and responsive to differential staff experience.

Key themes included:

- Strengthening inclusive career pathways through HCSW-to-nurse progression and widened access to development routes.
- Embedding equity considerations within staff vaccination planning to avoid widening inequalities.
- Using Staff Survey and employee voice mechanisms to identify differential staff experience and target organisational development interventions accordingly.
- Ensuring the ongoing review of staff health and wellbeing explicitly considers sustainability, trauma-informed practice and equitable access.

Inclusive leadership and fair access to opportunity remain fundamental to workforce sustainability, staff experience and quality of care.

6.6 Workforce Planning

Effective workforce planning remains critical to the delivery of safe, sustainable services. CAVUHB employs a range of clinical and non-clinical staff who deliver services across primary, secondary and community care. Over the years there have been well documented concerns about the sustainability of the NHS workforce and challenges remain despite an overall increase in our workforce. Given the current challenges, robust and innovative workforce planning is more important than ever. Effective workforce planning ensures that both current and future services have the workforce needed to deliver anticipated levels of service effectively and safely. Planning is especially important given the length of time required to train some staff groups, particularly medical staff.

During 2025-2026, work continued to strengthen workforce planning arrangements in response to ongoing workforce supply challenges, service transformation and financial pressures. Progress has been made following the Audit Wales review, including the appointment of a Strategic Workforce Planning Lead and an increased organisational focus on developing workforce planning capability. Workforce planning has been identified as a key People and Culture priority within the Annual Plan 2025-2026, supporting closer alignment between workforce, service and financial planning. Education commissioning processes have been refined to improve future workforce supply, and workforce assumptions arising from the Shaping Our Future Clinical Services Programme. Looking ahead, CAVUHB will continue to strengthen workforce intelligence, embed workforce planning skills across services and support the development of sustainable workforce models that meet the current and future needs of the population.

Workforce planning during 2025-2026 also focused on strengthening alignment between education commissioning, leadership capability and service transformation.

Key developments included:

- Refinement of the education commissioning process, engaging over 60 senior clinical leaders to align commissioned education with future service models and increased community provision.
- Detailed demand and capacity modelling within Occupational Health to protect statutory functions and inform sustainable workforce planning.
- Commencement of a Digital Learning Academy programme to assess and strengthen workforce digital capability.

6.7 Sustainable & Affordable Workforce

Throughout 2025-2026, work to reduce overall reliance on the temporary workforce. One of the key achievements has been a significant reduction in the use of premium cost agency staff over the past two years. The following graph shows the comparison on agency spend (excluding medical staff) for the first 9 months of each year from 2023 to 2025 – a reduction of just under £9m.

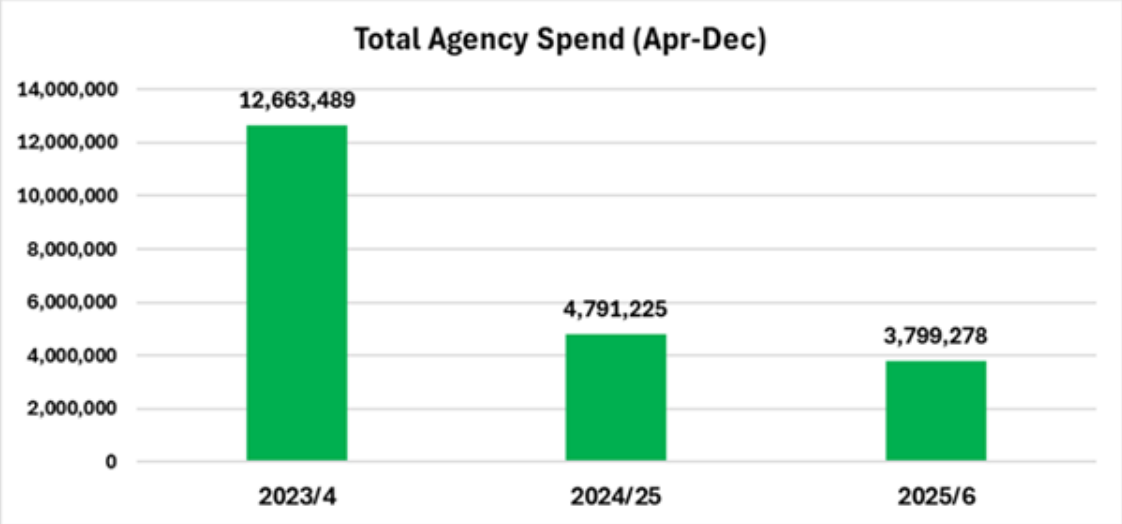


Image 38- Total agency spend

A further achievement has been the vast reduction in the amount spent on staff overtime. Following an Executive decision in April 2025 to replace the majority of overtime with bank, the spend incurred on overtime from April to December has reduced to almost a tenth of the spend in 2 years as illustrated in the graph below:

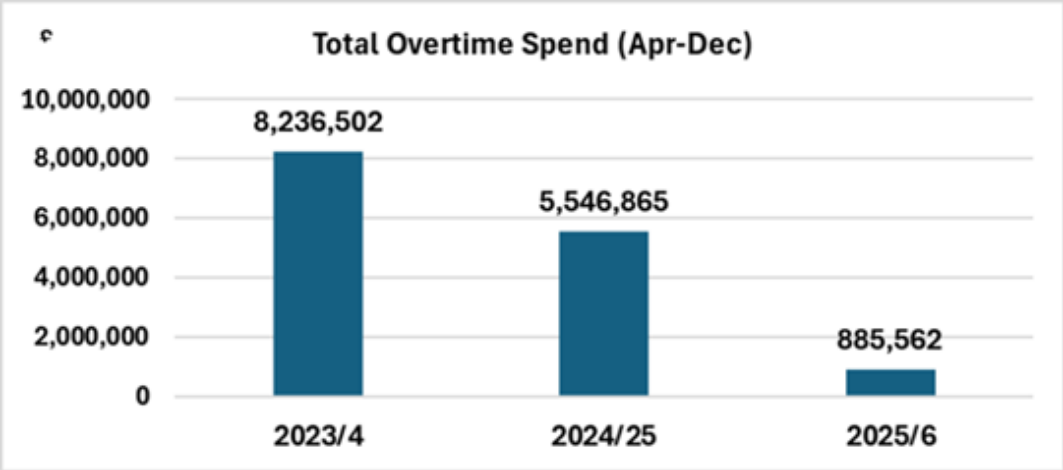


Image 39- Total overtime spend

Although the use of bank staff has increased by £4.9m for the first 9 months over the past 2 years, this was expected as it is the preferred option compared to more costly agency and overtime. Much work was undertaken to recruit agency staff onto the Staff Bank and it has been very successful in reducing the overall cost of temporary staffing. The total reduction in temporary spend (excluding medical staff) in the first 9 months in 2025-2026 compared to 2023-2024 was £11.3m. This is indicated in the graph below:

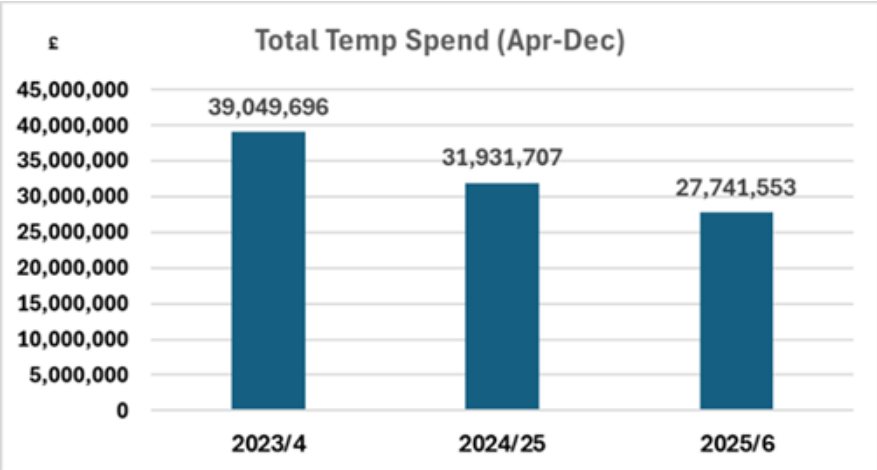


Image 40- Total temp spend

In 2026-2027 we will continue to improve the temporary workforce position, whilst placing greater emphasis on understanding the growth of our workforce. We will develop a workforce reduction plan that delivers a reduction in the pay bill, whilst ensuring that quality of care and the wellbeing and experience of our colleagues remains a priority.

6.8 Partnership Working

CAVUHB continues to strengthen its culture of partnership working, underpinned by long-standing commitments to trust, transparency, and constructive dialogue with recognised trade unions and staff representatives. This ethos is rooted in the organisation's Partnership and Recognition Agreement, which promotes mutual respect, early engagement, and a shared commitment to collaborative problem-solving. During 2024-2025, CAVUHB produced and published its Social Partnership Duty Annual Report, reflecting how these principles are embedded in everyday practice.

Our formal partnership structures ensure trade union colleagues are involved in shaping strategic decisions, workforce priorities, and organisational change. Mechanisms such as the Local Partnership Forum, Workforce Partnership Group, and Clinical Board level LPFs provide regular and well established opportunities for consultation, co production, and escalation where needed. Engagement is supported by a comprehensive flow of information ranging from strategic planning assumptions and financial updates to workforce plans and service redesign proposals to ensure informed contributions from staff side partners. Dedicated trade union roles at both Clinical Board and thematic levels, together with increased facility time, further enhance the strength and consistency of partnership working across the organisation.

7.Conclusion and Forward Look

The last year has been a challenging but productive year for CAVUHB, characterised by sustained system pressures and increasing demand for services. Against this backdrop, the focus has remained on delivering safe, high quality and value driven care, and the organisation can be proud of the professionalism, resilience and commitment demonstrated by colleagues across all services.

Throughout the year, the prioritisation has always been to treat patients requiring urgent and emergency care, followed by those needing time critical treatment, including cancer services, and then planned and elective activity. This consistent prioritisation has supported improved patient experience and outcomes, with residents of Cardiff and the Vale continuing to benefit from strong ambulance handover performance, improved emergency department flow and timely access to treatment when considered alongside system pressures across Wales.

Building on progress achieved in previous years, emergency department and assessment unit arrangements have remained effective. CAVUHB has again sustained its national position of having the lowest volume of long ambulance handover waits and the lowest volume of patients experiencing waits of more than 12 hours in emergency departments. This reflects the cumulative impact of service reconfiguration, strengthened operational grip and the continued efforts of multidisciplinary teams working across organisational and partner boundaries.

Innovation and service improvement have continued across both clinical services and enabling functions. During the year, CAVUHB launched the East Cardiff Menopause Hub, the first Women's Health Hub as part of the Women's Health Plan for Wales.

Significant progress has also been made in digital transformation. By the end of 2025–2026, Electronic Prescribing and Medicines Administration (ePMA) had been implemented in approximately 85% of inpatient areas. This rollout reflects a major multidisciplinary achievement and places Cardiff and Vale UHB at the forefront of digital medicines optimisation in Wales.

Image 41- Gene therapy for Hep B

CAVUHB has continued to demonstrate leadership in specialist and tertiary care. During the year, the Cardiff Haemophilia Centre at the University Hospital of Wales became the first facility in Wales to administer a revolutionary gene therapy for haemophilia B, marking a significant milestone for patients and reinforcing the organisation's role as a national hub for advanced therapies.

Excellence in care and professional leadership has continued to receive national recognition. In the 2026 New Year's Honours, Eleri Davies, Consultant in Oncoplastic Surgery, was awarded an MBE for services to Breast Care, reflecting outstanding clinical leadership and sustained contribution to patient care, education and service development.

Image 42- RCN Nurse of the year awards

Further national recognition was achieved through the 2025 RCN Nurse of the Year Awards, where colleagues from Cardiff and Vale UHB were honoured for their leadership in nursing education, service improvement, digital innovation and community care, highlighting the strength and impact of the Health Board's nursing workforce.

CAVUHB's reputation for clinical excellence and education was further reinforced during the year when the University Hospital of Wales hosted a surgical delegation from across the UK, showcasing innovation, research and training across a range of surgical specialties. This visit reflected the organisation's role as a centre for learning, collaboration and the sharing of best practice at a national level.

Image 43 -Surgical delegation visit to the UK

Looking ahead to 2026–2027, CAVUHB will continue to deliver against the national Urgent and Emergency Care Programme, with our focus comprised of three pillars – Integrated Community Care, Optimising Acute Care and Improving Hospital Efficiency. In alignment with national priorities, including the Optimal Hospital Flow Framework, work will continue to reduce average length of stay and improve transitions of care.

Alongside this, CAVUHB will work closely with Welsh Government and NHS Wales to strengthen financial sustainability, planning and the effective use of resources, supporting improvements in quality, efficiency and productivity. This will remain essential as the organisation responds to ongoing financial challenge and enhanced oversight arrangements, while maintaining a clear focus on delivering safe, effective and compassionate care for the population we serve.

As we move forward into 2025–2026, CAVUHB recognises that it is operating at a particularly challenging point, with sustained operational and financial pressures which form part of the oversight of the current Level 4 (Targeted Intervention) escalation status. In response, the Six Goals for Urgent and Emergency Care Programme will place additional emphasis on improving in hospital flow and reducing the time patients spend in hospital. Aligning with national programmes, including the Optimal Hospital Flow Framework, the Health Board is committed to significantly reducing average length of stay across medical wards. We will continue to work closely with Welsh Government, NHS Wales and NHS Performance and Improvement, welcoming the additional support, challenge and expertise provided through the escalation arrangements to strengthen sustainability, improve the effective use of resources, and drive improvements in quality, efficiency and productivity across the organisation.

Part 2
Accountability Report

8. Scope of the Accountability Report

The purpose of the accountability section of the Annual Report is to meet key accountability requirements to the Welsh Government, and to provide an overview of the governance, accountability arrangements and structures that were in place across the Health Board during 2025-2026. It includes:

- Corporate Governance Report
- Remuneration and Staff Report
- Senedd Cymru/Welsh Parliament Accountability and Audit Report

8.1 Corporate Governance Report

This is contained at section 17.4 Managing Public Money of the Parliamentary accountability and Audit report

Signed by:

Suzanne Rankin
Chief Executive and Accountable Officer

8.2 The Composition of the Board

As of March 2026, CAVUHB has 18 Board members consisting of Chair, Vice Chair and 8 Independent Members, all of whom are appointed by the Cabinet Secretary for Health and Social Services, a Chief Executive and 7 Executive Directors. All members of the Board have full voting rights.

There are also 2 Director posts, the Director of Corporate Governance and the Director of Digital Health and Intelligence, who form part of the Executive Team and the Board but have no voting rights.

In addition, Welsh Ministers may appoint up to 3 Board level Associate Members. Associate Members have no voting rights, currently there are no Associate Members in post.

Before an individual may be appointed as a member they must meet the relevant eligibility requirements, set out in Schedule 2 of the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009, and continue to fulfil the relevant requirements throughout the time that they hold office. The Regulations can be accessed via the following link: https://www.legislation.gov.uk/wsi/2009/779/contents

8.3 Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Health Board

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer of Cardiff & Vale University Health Board.

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

I can confirm that:

- As far as I am aware, there is no relevant audit information of which Cardiff & Vale University Health Board's auditors are unaware, and I have taken all steps that ought to have been taken to make myself aware of any relevant audit information and to establish that the Health Board's auditors are aware of that information.

- Cardiff & Vale University Health Board's annual report and accounts as a whole are fair, balanced and understandable and I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.
- I am responsible for authorising the issue of the financial statements on the date 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 by:

Suzanne Rankin
Chief Executive and Accountable Officer

Date:

8.4 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 the Cardiff & Vale University Health Board and of the income and expenditure of the Cardiff & Vale University Health Board for that period.

In preparing those accounts, the directors are required to:

- Apply on a consistent basis accounting principle 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:

Kirsty Williams
Chair

Dated:

Signed:

Suzanne Rankin
Chief Executive

Dated:

Signed:

Catherine Phillips
Executive Director of Finance

Dated:

8.5 Declaration 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 the Health Board's website.

Annual Governance Statement

9.Annual Governance Statement

9.1 Scope of Responsibility

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

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

This AGS details the arrangements in place during 2025-2026 to discharge my responsibilities as the Chief Executive Officer of the Health Board, and to manage and control the Health Board's resources. It also details the extent to which the organisation complies with its own governance arrangements, in place to ensure that it fulfils its overall purpose, which is that it is operating effectively and delivering quality and safe care to patients, through sound leadership, strong stewardship, clear accountability, robust scrutiny and challenge, ethical behaviours and adherence to our set values and behaviours. It will set out some of the challenges and risks we encountered and those we will continue to face going forward.

The Strategic Leadership Team assist me as Chief Executive in discharging my accountabilities and meet thrice monthly for formative discussion, support and decision-making. The Management Executive team meets weekly and has strong links to all relevant governance forums inside and outside CAVUHB.

9.2 Escalation and Intervention Arrangements

Under the Joint Escalation and Intervention Arrangements, the Welsh Government meets with Audit Wales and Healthcare Inspectorate Wales (Tripartite Group) throughout the year to discuss the overall assessment of each Health Board, Trust and Special Health Authority in relation to the arrangements. A wide range of information and intelligence is considered to identify any issues and inform the assessment. The framework has five escalation levels:

- Routine arrangements
- Area of Concern
- Enhanced monitoring
- Targeted intervention
- Special measures

On the 11 March 2025 the Cabinet Secretary for Health and Social Care announced in the Senedd that the Health Board would be escalated from enhanced monitoring arrangements to Level 4, Targeted Intervention for finance, strategy and planning.

In July 2025, the escalation at Level 4 was reaffirmed and widened to 6 domains, reflecting continued financial challenge alongside concerns relating to quality, planned care waiting times, culture and leadership.

CAVUHB is committed to working closely with Welsh Government, NHS Wales and system partners to address the issues underpinning its escalation status. A sustained focus on financial sustainability, strategic planning, and the effective use of resources underpins the Health Board's approach to improving quality, efficiency and productivity, and to strengthening overall organisational resilience.

Welsh Government, with the support of NHS Performance and Improvement, has commissioned an independent evaluative assessment to identify the underlying causes of the areas of escalation and to promote challenge with a specific focus on governance, organisational culture and leadership. It will also assess the feasibility and success of Cardiff and Vale UHB improvement plans, with the aim of future delivery to achieve sustainable de-escalation. The expertise and oversight offered is welcomed by CAVUHB.

Concurrent to this independent work, CAVUHB commissioned work by 3 consulting organisations to assist in the ongoing delivery of the annual plan and strategy and consider what transformational work might be required. While not specifically linked to the escalation framework, such transformation would naturally use the escalation criteria as an intermediate point to wider and longer-term transformation. These pieces of work were:

- organisational design and the future operating model. Work on this commenced in September 2025 with Tricordant consultancy firm following a procurement process.
- Discovery, workshop and design phases were carried out with a view to a final report being delivered in 2026-2027;
- independent review of mental health services. This also commenced in September 2025 following a procurement process that resulted in 36 Degrees being commissioned. This work is ongoing;
- financial sustainability. This was a 6-week intensive focus carried out by McKinsey following a procurement process due to report in April 2026. The work was focused on financial modelling, productivity analysis and identifying a recovery pathway.

Each of the outputs of this work will be presented to Board and relevant Committees in 2026-2027.

Governance Framework

9.3 Model Standing Orders and Scheme of Reservation and Delegation

At a local level, Health Boards in Wales must agree Standing Orders for the regulation of proceedings and business. They are designed to translate the statutory requirements set out in the LHB (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day to day operating practice, and, together with the adoption of a scheme of matters reserved to the Board; a Scheme of Delegation to officers and others; and Standing Financial Instructions, they provide the regulatory framework for the business conduct of the Health Board and define - its 'ways of working'. These documents, together with the range of corporate policies set by the Board, make up the Governance Framework.

These are available from https://cavuhb.nhs.wales/about-us/governance-and-assurance/policies-procedures-and-guidelines/

During 2025 - 2026, Welsh Government issued updated Model Standing Orders for NHS bodies in Wales. In January 2026, the Standing Orders were formally amended to reflect the establishment of the South East Wales Regional Joint Committee (RJC), following a direction from the Cabinet Secretary for Health and Social Care dated 2 April 2025.

Section 6 (Partnership Arrangements) was updated to include a new substantive section on the RJC.

The Standing Orders now explicitly recognise the RJC as a statutory partnership arrangement for:

- Regional planning
- Collaboration and oversight across participating Health Boards

The legal basis for the RJC is explicitly referenced (section 12(3) of the NHS (Wales) Act 2006).

Amendments to Standing Orders were approved by the Board at its meeting on the 29 January 2026. To view the amendments, please visit the CABUHB website: https://cavuhb.nhs.wales/files/board-and-committees/board-2025-26/00-2026-01-29-public-board-papers-pdf/

9.3.1 Variation to Standing Orders

The Board, subject to any directions that may be made by the Welsh Ministers, is required to make appropriate arrangements for certain functions to be carried out on its behalf so that the day-to-day business of the Health Board may be carried out effectively, and in a manner that secures the achievement of its aims and objectives.

9.4 The Board and its Committees

The Board provides leadership and direction to the organisation and is responsible for governance, scrutiny and public accountability. It ensures that its work is open and transparent by holding its meetings in public and where private meetings are held the meeting agendas are also published. The Board is supported by a number of Committees, each chaired by an Independent Member. The Committees, which meet in public (except the Remuneration and Terms of Service Committee), provide their minutes or a written report by the Committee Chair to each Board meeting. This enables all Board members to be sighted on the major issues and contribute to assessment of assurance and provide scrutiny against the delivery of strategic objectives.

Board papers are distributed to Independent Members 5 days prior to each meeting in line with Standing Orders. Public Board papers are also published on the website.

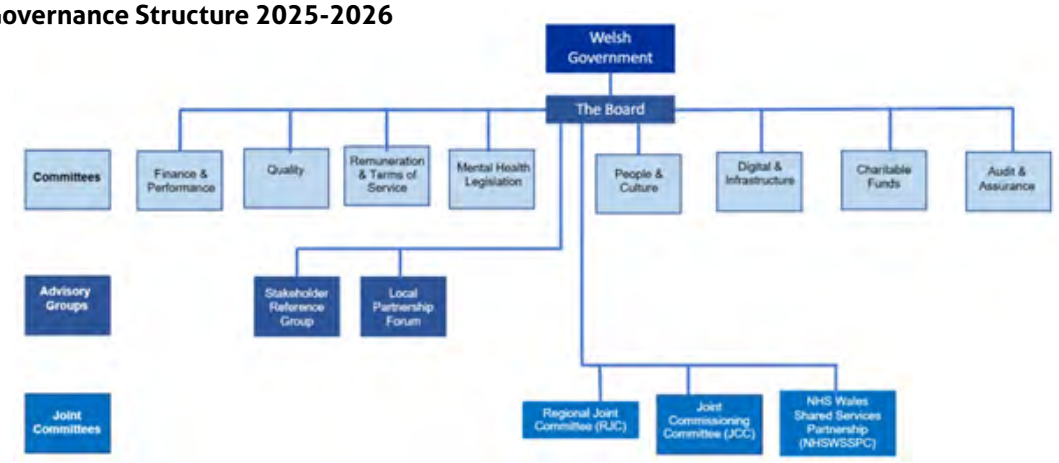
The papers for Board meetings can be accessed at https://cavuhb.nhs.wales/about-us/governance-and-assurance/board-meetings/

Papers for Committee meetings can be accessed at https://cavuhb.nhs.wales/about-us/governance-and-assurance/committees-and-advisory-groups/

CABUHB's Board & Committee structure in place during 2025-2026, is outlined below.

Cardiff and Vale UHB Governance Structure 2025-2026

Image 44 – Governance Structure 2025-2026



9.5 Audit and Assurance Committee

The membership of the Audit and Assurance Committee during 2025-2026, providing the required expertise was as follows:

Name	Role	Dates
INDEPENDENT MEMBERS		
Rhian Thomas	Committee Chair and Independent Member – Capital & Estates	Committee Chair: April 2025 – September 2025 Independent Member – Capital & Estates: April 2025 – March 2026.
David Edwards	Committee Chair and Independent Member – ICT	Committee Chair: October 2025 – March 2026 Independent Member – ICT: April 2025 – March 2026
Mike Jones	Independent Member Trade Union	April 2025 – March 2026
Ceri Phillips	Vice Chair	April 2025 – March 2026
Rachna Upadhya	Independent Member	April 2025 – March 2026

9.6 Composition of The Board

Items Considered by the Board in 2025-2026 included:

Strategic Planning, Commissioning & Partnership Updates (every Board meeting)	Integrated Performance Report (every Board meeting)
Board Assurance Framework (every Board meeting)	Ministerial Advisory Group Reports
Nurse Staffing Reports	2025/26 Draft Capital Plan
NHS Long Term Agreements & Financial Approach for 2025/26	Theatre Service Review
Annual Continuing Healthcare (CHC) Uplift	Microsoft Enterprise Agreement
Annual Plan	Digital Transformation Review
Emergency Planning Response Resilience Annual Plan	A declaration of Accommodation Surplus

Terms of Reference & Remit of the Regional Joint Committee	NHS Wales Joint Commissioning Committee Scheme of Delegation & Reservation of Powers
Ombudsman Annual Letter	Winter Plan
Director of Public Health Annual Report	Accountable Officer Letter in Support of Request for Strategic Cash Support
Car Parking Management Services	Targeted Intervention
Individual Patient Funding Requests	Procurement Outcome Report
Acquisition of Fieldway	Clinical Services Plan
Covid Public Inquiry Module 3	Conditions Survey
Safeguarding Annual Report 2024/25	Annual Equality Report
Quality Management System Position Statement	Business Cases: - Transforming Access to Medicines (TRAMs) - Llantrisant Health Park - Park View - UHW Ward Block Roof Replacement - Newborn Screening

The Board and Committee membership during 2025-2026 is presented for information at Appendix 1 to this Annual Governance Statement.

There have been a number of changes to the composition of the Board during 2025-2026.

CAVUHB said farewell to:

- Charles Janczewski – Chair, on 30th September 2025
- John Union – Independent Member – Finance, on 30th September 2025
- Sara Moseley – Independent Member – Third Sector, on 31st August 2025
- Mike Jones – Independent Member – Trade Union, on 2nd March 2026

We also warmly welcomed the following to the Board:

- Kirsty Williams – Chair, on 1st October 2025
- Clive Curtis – Independent Member – Community, on 2nd June 2025
- Judi Rhys – Independent Member – Third Sector, on 13th October 2025
- Lorna McCourt – Independent Member – Trade Union, on 9th March 2026

9.7 Committees

In line with Section 2 of the Health Board's Standing Orders which provide that "The Board may and, where directed by the WG, must appoint Committees of the Health Board either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions", the Board has an established Committee structure, with each Statutory Committee chaired by an Independent Member.

The following Committees were in place during 2025-2026:

Committee	Items Considered
Audit and Assurance Committee The role of the Audit and Assurance Committee is to advise and assure the Board and the Accountable Officer on whether effective arrangements are in place - through the design and operation of the UHB's assurance framework.	• Internal Audit Reports were submitted to each meeting providing details relating to outcomes, key findings and conclusions • Audit Wales reports on current and planned audits • Declarations of Interest Reports • Regulatory Compliance Tracking Reports • Internal & External Audit Tracking Reports • Procurement Compliance, Workforce Compliance and Counter Fraud Reports • Assurance mapping and Risk Management Strategy • Health Charity's draft Accounts and Annual Report • Annual Accounts, Accountability and Remuneration Reports for 2025-2026 • Losses and Special Payments.
Finance and Performance Committee The purpose of this Committee is to advise and assure the Board in discharging its responsibilities regarding its current and forecast financial position, performance and delivery.	• Monthly financial report • Operational Performance Update • Monthly Monitoring Return • Board Assurance Framework – Decarbonisation & Climate, • Quality Improvement Effectiveness Plan • Accountable officer letter • Planning Maturity Self-Assessment • 2025-26 Savings Plan • 2025/26 Draft Capital Plan • RPB Quarterly Update • Annual CHC Uplift Paper • Quarterly Annual Plan Update • Enabling Actions & Ministerial AG • Llantrisant Health Park – Outline Business Case • TRaMs Business Case • Park View Business Case

Mental Health Legislation Committee

The role of the Mental Health Legislation Committee is to seek and provide assurance to the Board or to escalate areas of concerns and advise on actions to be taken in relation to compliance with:

- *Hospital Managers' duties under the Mental Health Act 1983;*
- *the provisions set out in the Mental Capacity Act 2005;*
- *the Mental Health Measure (Wales) 2010;*
- *the Mental Health Act 1983 Code of Practice for Wales;*
- *the Mental Capacity Act 2005 Code of Practice;*
- *the Mental Capacity Act 2005 Deprivation of Liberty Safeguards Code of Practice;*
- *the associated Regulations.*

- Mental Capacity Act Monitoring Report and DoLS Monitoring:
- Mental Health Act Monitoring Exception Report
- Mental Health Measure Monitoring Report including Care and Treatment Plans Update Report
- Mental Health and Wellbeing Strategy / Suicide and Self-Harm Prevention Strategy
- MHA / DoLS Interface
- Section 12 Challenges and Futureproofing
- Board Assurance Framework (BAF)
- Mental Health Bill
- 36 Degrees Summary Report
- Veterans NHS Wales Annual Report
- DoLS Internal Audit Report

Quality Committee

The purpose of the Quality Committee is to provide advice to the Board regarding the quality and safety of health services and the experience of patients, including public health, health promotion and health protection activities.

It will also provide assurance to the Board around the UHB's arrangements for protecting anexperience for all people that use our services.

- Quality Indicators Reports
- Deep Dives on Deteriorating Patients, Nationally Reportable Incidents (NRIs), Infection Prevention & Control (IP&C), and Care after Death and Mortality
- Children Looked After Assessment Backlogs
- Research and Development
- Royal College of Psychiatrists (RCP) Update / Invited Service Review of CAVUHB Mental Health Services
- Discharge Advice Letters (DALs)
- Prevention of Future Deaths (PFDs)
- IP&C Position Updates
- Vale Food Strategy
- Equity, Equality, Experience and Patient Safety Action Plan Update
- Theatres Review
- Hepatitis B/C Recovery Plan Update
- Ombudsman Annual Letter
- Clinical Services Plan (CSP)
- WHO Checklist Implementation and Compliance
- Quality Management System (QMS)
- JACIE Report

Charitable Funds Committee

The purpose of the Charitable Funds Committee is to make and monitor arrangements for the control and management of the Health Board's Charitable Funds.

Cardiff and Vale Health Charity (the Charity) is the official charity supporting all the work of the Health Board. The Charity was created on 3 June 1996 by a Declaration of Trust and following reorganisation of health services, was amended by Supplementary Deeds on 12 July 2001 and 2 December 2010.

The Health Board is the Corporate Trustee for the Charity. The Health Board delegates responsibility for the management of the funds to the Charitable Funds Committee. The aim of the Corporate Trustee (Trustee) is to raise and use charitable funds to provide the maximum benefit to the patients of the Health Board and associated local health services in Cardiff and the Vale of Glamorgan, by supplementing and not substituting government funding of the core services of the NHS.

- Health Charity Financial Position and Investment Update
- Health Charity Fundraising Report
- Staff Lottery Bids Panel Report
- Rathbones Investment Biannual Update
- More Partnership Recommendations Update
- Staff Recognition Awards Update

Digital & Infrastructure Committee

The Digital & Infrastructure Committee reflects the key enablers identified within the Strategy that can most simply be articulated as 'bricks and bytes.

- Capital Programme Plan 2025/26
- Estates Risk Register
- Pentyrch Transport Task & Finish Group – Final Report
- Strategic Priorities 2025/26
- Estates Condition – Briefing Survey
- Digital Roadmap & work programme update
- Board Assurance Framework – Digital / Infrastructure
- Corporate Digital Risk Register
- Information Governance Data Compliance
- Minutes from digital directors peer group
- CAVUHB Digital Transformation Review – Final Project Brief Issue
- Data Strategy

	• Records Management Policy & Procedure / Procedure for External Emails • Disaster Recovery Policy • Car Parking Policy • Counter Fraud Procedure • Waste Management Procedure
People and Culture Committee The purpose of the Committee is to advise and assure the Board on the development, monitoring and delivery of the Organisations' People & Culture Plan in the context of the National Strategic Workforce Plan.	• Board Assurance Framework – wellbeing / workforce / culture • Managing Sickness & Availability • Key Workforce Performance Indicators • Health & Safety Update • Health Safety & Fire Risk Register • Supreme Court Ruling – Definition of Sex • Speaking Up Safely • Psychological Safety • Annual Health & Safety Report • Social Partnership Duty Annual Report • Digital Communications & Analytics • Strategic Equality Plan / Workforce Race Equality Standard (WRES) • Admin & Clerical Staff Workforce Growth • People & Culture Plan Refresh • Medical & Dental Deep Dive • Equity & Inclusion including staff networks review • Occupational Health / Wellbeing Services KPI • RADON Update In addition to the routine business, the Committee also had more detailed reviews for each of the following Clinical Boards: • PCIC • Surgical Clinical Board • Medicine Clinical Board • Mental Health Clinical Board • Specialist Clinical Board **Staff Story** A different staff story was shared at each of the People & Culture Committee meetings which focused on areas such as: • People Safety • Belonging • Speaking Up Safely • Bright Starts Programme • Therapeutic Activity – Hafan-y-Coed

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

The reports, workplans (Forward Plan) and terms of reference for the Committees are published on our website: https://cavuhb.nhs.wales/about-us/governance-and-assurance/committees-and-advisory-groups/

Appendix 1 to this AGS sets out details of the Chair, Chief Executive, Executive Directors and Independent Members and confirms Board and Committee membership for 2025-2026 and dates of the meetings attended during the tenure of the individual.

The Chair of each Committee reports to the Board on the Committee's activities outlining key risks and highlighting areas which need to be brought to the Board's attention in order to contribute to its assessment of assurance and provide scrutiny against the delivery of objectives. 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.

Copies of Committee papers and minutes, a summary of each Committees' responsibilities and Terms of Reference are available on the Health Board's website: https://cavuhb.nhs.wales/about-us/our-board/committees-and-advisory-groups/

Each Committee maintains an Action Log that is monitored at each meeting. Where appropriate Committees of the Board are supported by an underpinning subcommittee structure reflecting the remit of its roles and responsibilities.

9.8 Advisory Groups & Joint Committees

In support of the Board, the Health Board may have three Advisory Groups.

The Advisory Groups and Joint Committee include the following:

Advisory Groups

Stakeholder Reference Group (SRG)

The SRG is formed from a range of partner organisations from across the Health Board area. Its role is to provide independent advice on any aspect of Health Board business. It facilitates full engagement and active debate amongst stakeholders from across the communities served by the Health Board, with the aim of presenting a cohesive and balanced stakeholder perspective to inform Health Board planning and decision making.

The Stakeholder Reference Group was paused during 2025–2026 while the Health Board reviewed the purpose, operation and alignment of its engagement forums. This review sought to ensure stakeholder engagement arrangements were effective, complementary to other established mechanisms, and appropriately aligned to organisational priorities. The group will be re-launched at Board in May 2026 and meetings will then subsequently be reset for 2026-2027.

Local Partnership Forum and Other Employee Engagement Groups

CAVUHB has a statutory duty to "take account of representations made by persons who represent the interests of the community it serves". This is achieved in part by two Advisory Groups to the Board, one of which is the Local Partnership Forum (LPF). The LPF is the formal mechanism for the Health Board and Trade Union/ Professional Organisation Representatives to work together to improve health services.

LPF is co-chaired by the Chair of Staff Representatives and the Executive Director of People and Culture. Members are Staff Representatives (including the Independent Member for Trade Unions), the Executive Team and Chief Executive, the Director of Corporate Governance, and senior members of the People and Culture team. The LPF met 6 times during 2025-2026

During 2025–2026, the Local Partnership Forum (LPF) considered a wide range of strategic, operational, workforce and cultural matters central to the Health Board's ongoing organisational priorities.

- Across the year, the Chief Executive's Report featured regularly, providing updates on organisational performance, service pressures, and system-wide changes.
- Workforce insights, staff voice and culture continued to be core themes throughout the year. The Forum reviewed the High-Level Staff Survey Results 2024 and later revisited the Staff Survey outcomes to understand key findings, areas for improvement and themes linked to retention, culture and workplace experience. Work to support psychological safety and staff voice also involved the LPF considering the development and approval of the Trade Union Staff Safe Spaces rules of engagement, related conversations also reinforced the importance of creating safe environments for raising concerns, reflecting wider organisational commitments to speaking up safely.
- A number of service and strategic planning items were considered during the year, including the Annual Plan update, the Clinical Services Plan, and the ongoing remodeling of mental health services through the "36 Degrees"

programme. These discussions helped ensure alignment between workforce policy, service transformation, and clinical priorities.
- Operational resilience featured in discussions, including estates infrastructure risk planning, underscoring the need to proactively manage safety and continuity risks across the organisation.

NHS Wales Shared Services Partnership (NWSSP) Committee

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

Joint Committees

NHS Wales Joint Commissioning Committee (JCC)

The NHS Wales Joint Commissioning Committee (JCC) has been operational since 1 April 2024, providing a single national approach to the commissioning of specialised and ambulance services across NHS Wales. It was established following an independent Welsh Government review of the former national commissioning arrangements. The Chief Executive acts as CAVUHB's Executive representative in its engagement with the JCC.

Regional Joint Committee (RJC)

CAVUHB participates in the South East Wales Regional Joint Committee (RJC). The RJC was established following a direction from the Cabinet Secretary for Health and Social Care on 2 April 2025 and is recognised in the Health Board's Standing Orders (approved by the Board in January 2026). Its purpose is to bring the Health Boards together to plan services across the region, strengthen collaboration and provide oversight of shared priorities. The RJC comprises Aneurin Bevan University Health Board, Cardiff and Vale University Health Board and Cwm Taf Morgannwg University Health Board, with Powys Teaching Health Board and Velindre NHS Trust as Associate Members, and a Welsh Government official invited to observe meetings. The Chair acts as the representative for CAVUHB in its engagement with the RJC.

9.9 Public interest Declaration

Each Board Member has stated in writing that they have taken all the steps that they ought to have taken to make auditors aware of any relevant audit information. All Board Members and Senior Managers and their close family members (including Directors of all Hosted Organisations) are required to declare any pecuniary interests and positions of influence which may result in a conflict with their responsibilities.

A full register of interests for 2025-2026 is available via the following link https://cavuhb.nhs.wales/about-us/governance-and-assurance/register-of-interests-gifts-and-hospitality/

9.10 Board and Committee Membership & Attendance 2025-2026

The Board has been constituted to comply with the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009. The table attached to Appendix 1 to this AGS outlines the Board and Committee Membership and the record of attendance for the period April 2025 - March 2026.

10. Risk

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

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

The Health Board has a Risk Management and Board Assurance Framework that identifies, analyses, evaluates and controls the risks that threaten the delivery of its strategic objectives. The Health Board's Board Assurance Framework (BAF) is used by the Board to identify, monitor and evaluate risks which impact upon Strategic Objectives and is considered alongside other key management tools, such as the Corporate Risk Register, performance and quality dashboards and financial reports, to give the Board a comprehensive picture of the organisational risk profile.

The Health Board's Risk Management and Board Assurance Framework (BAF) is regularly reviewed and taken to every Board meeting. This sets out responsibilities for strategic and operational risk management for the Board and staff throughout the organisation and describes the procedures to be used in identifying, analysing, evaluating and controlling risks to the delivery of strategic objectives.

Strategic risks are significant risks that have the potential to impact upon the delivery of strategic objectives and are raised and monitored by the Executive Team and the Board. Operational risks are key risks that affect individual Clinical Boards and Corporate Directorates and are managed within the Clinical Boards and Corporate Directorates and if necessary, escalated through the Health Board's risk reporting structure as set out below.

Score	Level	Action	Review	Oversight
1 - 3	Low Risk	Quick, easy measures implemented immediately, and further action planned for when resources permit	Risk Review meetings – at least 6 monthly	Local service
4 - 10	Moderate Risk	Quick, easy measures implemented immediately, and further action planned for when resources permit	Ward Department Risk Review meetings – at least quarterly.	Local Service Directorate
12 – 16	High Risk	Actions implemented as soon as possible but no later than six months	Directorate Meeting Monthly Clinical Board/QSE Quarterly	Local Service Directorate Clinical Board
20 - 25	Extreme Risk	Requires urgent action. The UHB Board is made aware, and it implements immediate corrective action	SLT – responsible for moderating Executive Clinical Board Reviews Committees Board	Local Service Directorate Clinical Board Executive/Board

Image 45 – Risk Management Reporting Structure

The BAF provides the Board with information on the key Strategic Risks that could impact upon the delivery of the Health Board's Strategy. It compromises 6 risk themes that are applicable to every one of the 4 strategic objectives.

The 2 delivery focused risk themes are:

1. Quality
2. Health Equity

And there are 4 key enabling risk themes:

3. People
4. Digital
5. Infrastructure
6. Sustainability

Each risk theme is relevant to every strategic objective; however, they are connected both with a strategic portfolio and a Committee of the Board to provide an appropriate thread from the strategy through delivery and into performance, and a means of assurance and scrutiny through Committees and into Board as per the diagram below.

<table>
<tr><td>Strategy</td><td>Putting People First</td><td colspan="3">Providing Outstanding Quality</td><td>Delivering in the Right Places</td><td>Acting for the Future</td></tr>
<tr><td rowspan="2">Committee</td><td rowspan="2">People and Culture</td><td colspan="3">Quality</td><td rowspan="2">Digital and Infrastructure</td><td rowspan="2">Finance and Performance</td></tr>
<tr><td colspan="3">Mental Health Legislation</td></tr>
<tr><td colspan="6">Audit and Assurance | Charitable Funds | Remuneration and Terms of Service</td></tr>
<tr><td>Strategic Portfolio</td><td>Shaping our People and Culture</td><td>Shaping our Population Health and Place based Partnerships</td><td>Shaping our Quality, Value and Sustainability</td><td>Shaping our Future Clinical Services</td><td>Shaping our Future Infrastructure</td><td>Shaping our Future Generations</td></tr>
<tr><td rowspan="2">Strategic Risk Theme</td><td rowspan="2">People</td><td colspan="3">Quality</td><td>Digital</td><td rowspan="2">Sustainability</td></tr>
<tr><td colspan="3">Health Equity</td><td>Infrastructure</td></tr>
</table>

The BAF as of March 2026 can be found here on page 50 of the bundle which outlines the controls, assurance and scoring in place. It is tracked changed to quickly and simply highlight to Board at every meeting where there have been changes.

Alongside the BAF, the Health Board also maintains a Corporate Risk Register that identifies the extreme operational risks (those scored at 20/25 or higher) that the Health Board is facing.

As of March 2026, there were 185 risks detailed on the Corporate Risk Register all of which recorded a score of 20/25. The BAF and Corporate Risk Register can be seen in any Board meeting agenda pack.

10.1 Audit Assurance on Risk Management

Audit Wales's Structured Assessment Report received in December 2025, noted the following in relation to the Management of Risk within the Health Board:

"The Health Board continues to strengthen and digitalise systems of assurance, however there is still a need to improve aspects of risk management"

An Internal Audit Review of the Risk Management processes was issued in April 2026 which received a Reasonable Assurance rating on Risk Management and the BAF. It found that Risk Management and Assurance arrangements are defined within an up-to-date Strategy and Framework and associated procedures, aligned to the Health Board's objectives and strategic direction. It also concluded that processes are in place to support the monitoring and review of key risks and assurance mechanisms, including the BAF and Corporate Risk Register (CRR), across CAVUHB including at Committee and Board level.

11. MANDATORY DISCLOSURES

11.1 Revised Health and Care Standards

Health & Care Standards have been revised under the Duty of Quality to strengthen the focus on safety, effectiveness, person-centred care and continuous improvement. The revised standards clarify organisational responsibilities, emphasise the use of evidence and learning from concerns, complaints and incidents, and reinforce the importance of quality governance and assurance arrangements. Further detail on how these revised standards are being implemented and monitored is available in our Annual Quality Report, including examples of assurance processes, performance indicators and improvement activity.

The Annual Quality report for 2025-2026 will be available on the CAVUHB website Duty of Quality - Cardiff and Vale University Health Board following the Annual General Meeting (AGM) scheduled for 14 July 2026.

11.2 Emergency Preparedness

CAVUHB had emergency and business continuity arrangements in place during the financial year 2025-2026, in accordance with the Civil Contingencies Act 2004 and the Emergency Planning Guidance issued by Welsh Government.

Business Continuity arrangements were activated in response to several internal incidents during the year including power outages, patient capacity issues, power failures, IT Issues and externally including severe weather and flooding incidents. Our business continuity arrangements enable us to manage the continued delivery of our services following a business disruption. Several emergency planning training and exercises sessions were undertaken during the year, upskilling the workforce to tackle business continuity and major incidents to the best of the organisation's ability. In addition, bespoke Strategic, Tactical and Operational command training has been delivered.

11.3 Ministerial Directions and Welsh Health Circulars (WHCs)

Ministerial Directions and WHCs issued by the Welsh Government for the period April 2025 - March 2026 have been considered and where appropriate implemented. Details of the Ministerial Directions issued by the Welsh Government during 2025-2026 are set out in Appendix 2 attached to this AGS.

During the financial year 2025-2026 regular updates on the implementation of Welsh Health Circular implementation and the detail of new WHCs have been received and shared with the appropriate Teams across the Health Board.

11.4 Regulatory and Inspection Reports

The Corporate Governance Directorate track all Internal Audit Recommendations and all Audit Wales Recommendations along with actions on the Audit Management and Tracking (AMaT) system. Recommendations and subsequent actions are added to the system for monitoring once the reports have been signed off by the Audit and Assurance Committee.

11.5 Data Security and Information Governance

Risks relating to data security and information governance are managed in accordance with the Health Board's Information Governance Framework and overseen through the Digital & Infrastructure Committee (D&IC), which is chaired by the Independent Member for Digital. The Committee provides assurance to the Board that appropriate systems, controls and governance arrangements are in place to protect personal and confidential information.

The Caldicott Guardian has specific responsibility for safeguarding patient information and ensuring that the use and sharing of confidential data is lawful, ethical and proportionate. Information governance matters are escalated and monitored through the Digital & Infrastructure Committee as part of the Health Board's wider assurance framework.

During 2025–2026, the Committee considered a wide range of strategic and operational information governance and digital assurance matters, including:

- The Joint Digital & Health Intelligence and Information Governance Corporate Risk Register
- Information Governance data and compliance reporting, including serious incidents, data protection and UK General Data Protection Regulation (GDPR) compliance, Freedom of Information (FOI) and Subject Access Requests (SARs), access monitoring, staffing and mandatory training
- Digital Services Key Performance Indicators

The Director of Digital & Health Intelligence acts as the Senior Information Risk Owner (SIRO) and is accountable for ensuring that information risks are appropriately identified, managed and escalated, and that information-related incidents are handled in accordance with statutory and organisational requirements.

CAVUHB recognises its statutory responsibility to ensure that personal data is processed securely and lawfully. All information governance-related incidents are investigated and reviewed through established governance arrangements to ensure appropriate action, learning and assurance.

Between April 2025 and March 2026, 8 personal data breaches met the threshold for notification to the Information Commissioner's Office (ICO) under the UK General Data Protection Regulation. These incidents primarily related to unauthorised access to patient records, inappropriate information sharing, technical data quality issues and human error. All breaches were reported within the required timescales and have since been closed by the ICO with no further regulatory action. Where applicable, recommendations were made and have been fully implemented.

In addition, during the same period, 4 incidents were reported to the NHS Wales Cyber Resilience Unit under the Network and Information Systems (NIS) Regulations. One incident involved a compromised user account, while the remaining incidents related to technical outages affecting the availability of core systems and infrastructure. No patient data loss or compromise resulted from these incidents, and all were managed in accordance with national and local incident response processes.

Overall, the Board is assured that robust governance and reporting arrangements are in place to manage data security and information governance risks, with continued oversight to address emerging risks, workforce pressures and system resilience.

11.6 NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, the Health Board has control measures in place to ensure compliance with all employer obligations set out within Scheme regulations. This includes ensuring that employee salary deductions, employer contributions and payments to the Scheme are made in accordance with Scheme rules, and that member pension records are accurately maintained and updated within regulatory timescales.

CAVUHB also continues to support flexible retirement options, including partial retirement, which is increasingly being used to retain experienced staff while supporting personal retirement choices.

11.7 UK Corporate Governance Code

An assessment against the Corporate Governance in Central Governance Departments: Code of Good Practice 2017, has been completed using the "Comply" or "Explain" approach. Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, an assessment was undertaken in March 2026 against the main principles as they relate to an NHS public sector organisation in Wales. CAVUHB is satisfied that it is complying with the main principles of and is conducting its business in an open and transparent manner in line with the Code. There were no reported/identified departures from the Corporate Governance Code during the 2025-2026 reporting year.

11.8 Review of Effectiveness

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 Audit Wales in their Annual Audit Letter and other reports.

Internal Sources	External Sources
Performance management reports Service change management reports Workforce information and surveys Benchmarking Internal and clinical audit reports Board and Committee reports Local Counter Fraud work Health and Care Standards assessments Executive and Independent Member Leaders who Listen Rounds Results of internal investigations and Serious Incident reports Concerns and compliments Speaking up Safely Infection prevention and control reports Information governance toolkit self-assessment Patient experience surveys and reports Compliance with legislation (e.g. Mental Health Act/Health and Safety, Data Protection) Committee Meeting Self-Assessment form feedback	Population Health Information Audit Wales Welsh Risk Pool (WRP) Assessment reports Healthcare Inspectorate Wales (HIW) reports Community Health Council visits and scrutiny reports Feedback from healthcare and third sector partners Royal College and Deanery visits Regulatory, licensing and inspection bodies External benchmarking and statistics Accreditation Schemes National audits Peer reviews Feedback from service users Local networks (e.g. cancer networks) Welsh Government reports and feedback Llais

Further sources of assurances are identified within the Board's own performance management and assurance framework and 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 and Care 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
- Reviews completed by external regulation and inspection bodies including Audit Wales and Healthcare Inspectorate Wales (HIW).

The effectiveness of the system of internal control is maintained and reviewed by the Committees of the Board in respect of assurances received. This is also supported by the BAF with strategic risks being closely monitored by Board and the respective Committees.

Governance, Leadership and Accountability

11.9 Board and Committee Effectiveness

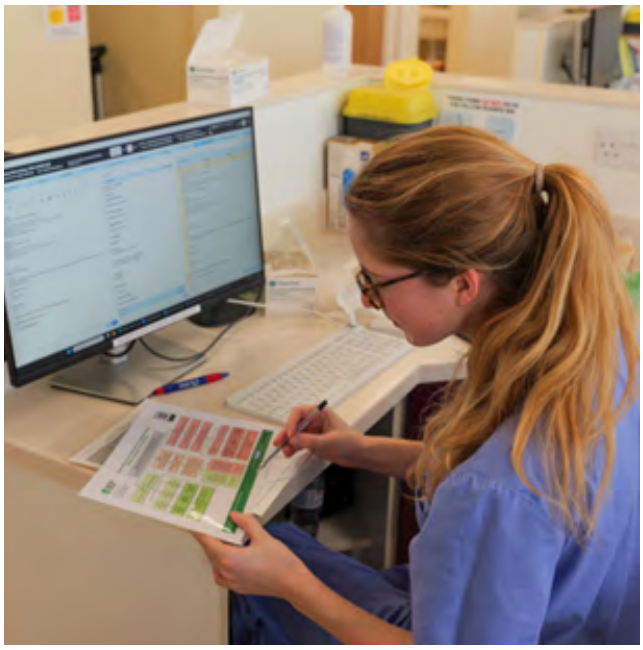
To evaluate and demonstrate the effectiveness of the Board and the Board's Committees, the following actions took place during 2025-2026:

- The Chair of the Board and the Chair of each Committee review the effectiveness of individual meetings as part of the agenda at each respective meeting.
- During 2025–2026, a Committee Meeting Self Assessment feedback form was introduced to gather feedback on the value, effectiveness and impact of committee discussions and decision making which is completely anonymous.
- Each Committee of the Board developed a Committee Annual Report which is reviewed by each Committee before presentation to Public Board. The Annual Reports are signed off by each Committee Chair and provide assurance to the Board that the Committees have met their Terms of Reference.
- A programme of Board Development sessions has been designed and at every Board Development meeting a bespoke session is undertaken to enable the Board to undertake structured self assessment and, critically, targeted improvement activity focused on both individual and collective capability. Outcomes from these sessions are reported through the Chair's Board report, supporting continuous strengthening of Board effectiveness, trust and impact through purposeful development.
- Board development sessions during 2025-2026 have focused on working as a Board, strengths in action and constructive challenge & scrutiny.

12. Internal Audit

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

The overall opinion by the Head of Internal Audit on governance, risk management and control are a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement. The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.



12.1 The Head of Internal Audit Opinion

In accordance with the Global Internal Audit Standards (GIAS), 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 focused on key strategic and operational risk areas and known improvement opportunities, agreed with executive management and approved by the Audit and Assurance Committee, which should provide an appropriate level of assurance.

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 Cardiff and Vale University Health Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control.

The overall opinion is based primarily on the outcome of the work undertaken during the course of the 2025/26 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.

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.

Reasonable assurance

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

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the Health Board. 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 takes into account but is not intended to provide a comprehensive view.

Details of the audits undertaken in the year and the results are summarised in the following table:

Substantial Assurance	• GMS Unified Contract Assurance Framework • Occupational Health
Reasonable Assurance	• Medicine CB Acute Medicine Model (From 24/25 Plan) • Integrated Annual Plan • Deprivation of Liberties Safeguards • Additional Leaning Needs Legislation • Medical Equipment & Devices • Financial Sustainability – Temporary Staffing Controls • C&W CB Governance and Financial Arrangements • Standards of Business Conduct • Risk Management and Board Assurance Framework • Neurodevelopment Services for Children • Rhydlafar Development • Wellbeing Hub Park View • 5 Steps to Safer Surgery • Nurse Staffing Levels • Leadership and Management Training / Development • Local / Shadow IT Systems (Draft) • Medicines Management (Draft)
Limited Assurance	• Cyber Security • Clinical Board Adherence to the Managing Attendance at Work Policy • Staff Overpayments • Neurodevelopment Services for Adults • Flexible Working Arrangements for Compressed and Variable Hours (Draft)
Unsatisfactory	• Reducing Health Inequalities (Draft)
Advisory/Non-Opinion	• Quality & Safety Governance • Implementation of Health Roster Follow-up • Digital Literacy • Medical Staff Deployment • Decarbonisation Follow-up • Alcohol Standards Follow-up • Space Utilisation (Draft)

At the time of producing the Annual Report, one audit was still a work in progress but had not been sufficiently progressed to reliably determine the assurance rating. The outcome of this audit will therefore feed into the HIA Opinion for 2026/27.

12.2 Limited and Unsatisfactory Assurance

As detailed within the table above, Internal Audit have issued 5 audit reports with a conclusion of limited assurance and 1 with a conclusion of unsatisfactory assurance.

Health Board management have agreed actions to implement the Internal Audit recommendations and therefore address the significant areas of weakness identified through these Limited and unsatisfactory assurance audit reports. Progress towards implementation of the agreed management actions is monitored via the Health Board's recommendation tracking process on the Audit Management and Tracking (AMAT) system and is periodically reported to the Audit & Assurance Committee.

13. External Audit - Audit Wales

The Auditor General for Wales is the Health Board's statutory External Auditor and the Wales Audit Office undertakes audits on his behalf. The Auditor General for Wales and the Wales Audit Office are known collectively as Audit Wales. Audit Wales scrutinises the Health Board's financial systems and processes, performance management, key risk areas and the Internal Audit function (https://www.audit.wales/)

13.1 The Annual Audit Report for 2026

Audit Wales' annual programme of work at the Health Board is set out in the Audit Plan. The Committee considered the detailed 2025 Audit Plan on 20 May 2025. On 4 February 2025 the Audit and Assurance Committee received the Audit Wales 2025 Outline Audit Plan.

Reports produced by Audit Wales in line with the Audit Plan are presented to the Audit and Assurance Committee. A Management Response is prepared for reports which contain recommendations. All recommendations are subsequently recorded in the External Audit Recommendations Tracker. A Tracking Report is presented to the Audit and Assurance Committee three times a year to provide assurance on their implementation.

The following reports relating directly to the work of the Health Board were presented to the Audit and Assurance Committee:

Report	Month
Financial Audit Updates	May, September & November 2025 February 2026
Performance Audit Updates	May, September & November 2025 February 2026
Managing Urgent and Emergency Care Demand Detailed Audit Plan 2025	May 2025
Audit of Accounts Report – Cardiff and Vale University Health Board 2024-25 Annual Accounts	June 2025
Tackling the Planned Care Challenges	September 2026
2024-25 Audit of Accounts Addendum Report National Fraud Initiative Briefing	November 2025
Charitable Funds (2024-25 Accounts)	January 2026 Board of Trustees Meeting
Review of Eyecare Services Structured Assessment 2025	February 2026

Annual Audit Summary 2025 A copy can be accessed here.	

The Audit and Assurance Committee also reviews the outcomes of national pan-sector reviews at the earliest possible meeting following their publication.

The Annual Audit Report 2025 did not identify any material weaknesses in the Health Board's internal controls (as relevant to the audit)

A detailed Audit Plan was noted by the Audit and Assurance Committee on 20 May 2025.

13.2 Cardiff and Vale University Health Board - Structured Assessment

The Audit Wales Structured Assessment for 2025 provides an assessment of the Health Board's corporate arrangements for ensuring that resources are used efficiently, effectively and economically.

The Structured Assessment for 2025 made a number of findings some of which include:

- The Health Board has demonstrated an inclusive approach for developing its Annual Plan, supporting delivery of its long-term strategy. It is accelerating work on its Clinical Services Plan and improving Board-level reporting on Annual Plan delivery. However, strategic portfolios require well-defined delivery roadmaps and stronger committee oversight.
- The Board and committees continue to work well, remaining committed to public transparency and hearing from patients and staff. Whilst the Board has continued to experience significant turn-over this has been well managed. However, the absence of an Independent Member for finance presents a risk. Opportunities remain to enhance Board and committee papers and effectiveness reviews.
- The Health Board continues to strengthen and digitalise systems of assurance. However, there is still a need to improve risk and performance management, and to strengthen aspects of quality and safety monitoring and recommendation tracking.
- The financial position remains a significant concern, with a forecast year-end deficit of £56.2 million against a £9.1 million control total. Although the Health Board has identified all planned savings, there is still a £5.3 million shortfall against its recurrent savings target. As in previous years, it was unable to submit a financially balanced three-year Integrated Medium-Term Plan to Welsh Government. Work to develop a long-term financial model remains at an early stage.

The Structured Assessment can be accessed via the following link:
file:///C:/Users/homeworking01/Downloads/2.3a%20Structured%20Assessment%202025%20(Final).pdf

14. Modern Slavery Act 2015 – Transparency in Supply Chains

CAVUHB is committed to preventing modern slavery, human trafficking and unethical employment practices within both its own workforce and the supply chains through which it procures goods and services. We recognise our responsibility as a major public sector organisation to ensure that employment practices are fair, lawful and transparent, and that appropriate safeguards are in place to protect workers in Wales, the UK and overseas.

The Welsh Government's Code of Practice: Ethical Employment in Supply Chains was published in May 2017 to highlight the need, at every stage of the supply chain, to ensure good employment practices exist for all employees, both in the UK and overseas. It is expected that all NHS Wales organisations will sign up for the Code.

The Health Board fully endorses the principles and requirements of the Code and the Modern Slavery Act 2015 and is committed to playing its role as a major public sector employer, in eradicating 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 hours' contracts; and
- paying the Living Wage.

The following actions support compliance with the Code's commitments:

- We have a Procedure for Raising Concerns, which provides the workforce with a fair and transparent process, to raise suspicions of malpractice involving Health Board staff, suppliers or contractors working on Health Board premises;
- The Health Board aims to pay our suppliers within 30 days of receipt of a valid invoice;
- We comply with the NHS pre-employment check requirements to ensure individuals meet the conditions of employment, including verification of the right to work in the UK
- We have robust IR35 processes to ensure the fair and appropriate engagement of all workers and prevent avoidance of tax and National Insurance contributions;
- We do not engage or employ staff or workers on zero hours' contracts;
- We have in place an Equity, Inclusion and Human Rights Policy to ensure that no applicant, employee or worker is disadvantaged in relation to pay, employment rights or career opportunities;
- Through tender processes, suppliers are required to provide assurance that prohibited or blacklist practices are not used;
- In accordance with Transfer of Undertakings (Protection of Employment) Regulations (TUPE) any Health Board staff who may be required to transfer to a third party will retain their NHS Terms and Conditions of Service. Bidders are required to describe how they will commit to fair working practices for workers engaged in the delivery of the contract (including any agency or sub-contracted workers);
- Procurement undertaken on behalf of the Health Board through NHS Wales Shared Services Partnership (NWSSP) makes use of Modern Slavery Act compliance monitoring arrangements and seeks to ensure that workers within supply chains are treated fairly and in line with the Welsh Government Code of Practice. Bidders are required to provide a slavery and human trafficking statement to include all required information as outlined in Section 54, Part 6 of the Modern Slavery Act 2015; and to confirm they have signed up via the Transparency in Supply Chains website, and to upload their Modern Slavery Act 2015 statement within 3 months of contract award date.

CAVUHB continues to work in partnership with trade unions and partners to ensure ethical employment principles are embedded within workforce and procurement practices and upheld across our supply chains.

15. Conclusion

As Accountable Officer, based on the assurance process outlined above, I have reviewed the relevant evidence and assurances in respect of internal control. I can confirm that the Board and its Executive Directors are alert to their accountabilities in respect of internal control.

During 2025-2026, we have again proactively identified areas requiring improvement and requested Internal Audit to undertake detailed assessments to manage and mitigate associated risks. Several reports issued by Internal Audit concur with our view and have consequently provided CAVUHB with clear recommendations to ensure that focussed and urgent management actions are in place to address identified shortcomings. These actions are then monitored through the Board and its Committees to ensure appropriate assurances can be provided.

The Structured Assessment 2025 Report conducted by Audit Wales, for CAVUHB highlights several key outcomes. The report emphasises the Health Board's ongoing challenges in relation to financial sustainability, performance management, and monitoring of quality & safety. Overall, CAVUHB's Board and committees continue to work well, remaining committed to public transparency and hearing from patients and staff.

During 2025–2026, CAVUHB remained subject to enhanced escalation arrangements. Following confirmation in January 2024 that Cardiff and Vale University Health Board would remain at Level 3 enhanced monitoring for finance, strategy and planning, our escalation status was raised to Level 4 targeted intervention in March 2025 due to worsening financial performance and the inability to deliver the agreed control total. In July 2025, this was further extended to all escalation domains reflect growing pressures across quality, planned care performance, and cultural and leadership challenges. Throughout this period, we have continued to work closely with Welsh Government and NHS Wales to stabilise performance, strengthen leadership and governance, and support long term financial and service sustainability.

During the year, CAVUHB has strengthened its approach to conducting service reviews, informed by lessons learnt from legacy cultural issues identified in recent years. This work represents a deliberate and proactive response to those challenges, with a clear focus on identifying, surfacing and addressing cultural concerns at an earlier stage.

These enhanced arrangements are intended to ensure greater openness, transparency and learning across the organisation, supporting the development of a positive culture where issues are acknowledged and addressed constructively. This approach is central to the Health Board's ambition to create an environment in which staff feel supported, valued and able to raise concerns, ultimately ensuring that CAVUHB is aligned to its strategic priorities.

In summary, my review confirms that the Board has sound systems of internal control in place to support the delivery of policy aims and our corporate objectives and that there are no significant internal control or governance issues to report for 2025-2026.

Signed:

Suzanne Rankin
Chief Executive

Dated:

Appendix 1

Dates of Board and Committee meetings held during 2025-2026

All meetings held were quorate

Where meetings are inquorate, escalation arrangements are put in place to ensure that any matters of significant concern that could not be brought to the attention of the Committee could be raised with the Health Board's Chair.

Executive Directors who are unable to attend a meeting are required to send a deputy.

Quality Committee:

Attendance	01/04/2025	13/05/2025	24/06/2025	05/08/2025	16/09/2025	28/10/2025	09/12/2025	20/01/2026	03/03/2026	Percentage
Ceri Phillips	☑	☑	☑	☑	☑	☑	☑	☑	☑	100.00%
Rhian Thomas	☑	☑	☑	☑	☑	☑	☑	☑	☑	100.00%
Steve Riley	☐	☐	☐	☐	☐	☑	☐	☐	☐	11.11%
Mike Jones	☑	☑	☐	☑	☑	☑	☑	☑		87.50%
Clive Curtis				☑	☑	☑	☐	☑	☑	83.33%
Judi Rhys								☑	☐	50.00%
Jason Roberts	☑	☑	☑	☑	☐	☑	☑	☑	☑	88.89%
Paul Bostock	☑	☑	☐	☑	☐	☑	☑	☐	☑	66.67%
David Fluck	☑	☑	☑	☑	☐	☑	☐	☐	☑	66.67%
Emma Cooke	☑	☑	☑	☑	☑	☑	☑	☐	☑	88.89%
Claire Beynon	☑	☑	☑	☑	☑	☐	☑	☐	☑	77.78%
Matt Phillips	☑	☑	☑	☑	☑	☑	☑	☑	☑	100.00%

Mental Health Legislation Committee:

Attendance	29/04/2025	26/08/2025	21/10/2025	27/01/2026	Percentage
Ceri Phillips	☑	☑	☑	☑	100.00%
Sara Moseley	☑	☐			50.00%
Susan Lloyd-Selby	☑	☐	☑	☐	50.00%
Rachna Upadhya	☑	☑	☑	☑	100.00%
Clive Curtis		☐	☑	☑	66.67%
Jason Roberts	☑	☑	☑	☑	100.00%
David Fluck	☑	☑	☑	☑	100.00%
Matt Phillips	☑	☑	☑	☑	100.00%

Charitable Funds Committee:

Attendance	10/06/2025	09/09/2025	16/12/2025	17/03/2026	Percentage
John Union	☑	☐	☐	☐	100.00%
Susan Lloyd-Selby	☑	☐	☐	☐	100.00%
Sara Moseley	☑	☐	☐	☐	100.00%
Catherine Phillips	☑	☐	☐	☐	100.00%
Joanne Brandon	☑	☐	☐	☐	100.00%
Rachel Gidman	☐	☐	☐	☐	0.00%
Emma Cooke	☑	☐	☐	☐	100.00%
Matt Phillips	☑	☐	☐	☐	100.00%

Finance & Performance Committee:

Attendance	16/04/2025	21/05/2025	18/06/2025	23/07/2025	17/09/2025	22/10/2025	19/11/2025	21/01/2026	18/02/2026	18/03/2026	Percentage
John Union	☑	☑	☑	☑	☑						100.00%
Rhian Thomas	☐	☑	☑	☑	☑	☑	☑	☑	☐	☑	80.00%
David Edwards	☑	☑	☑	☑	☑	☑	☑	☐	☐	☑	80.00%
Ceri Phillips	☑	☑	☑	☑	☑	☑	☐	☑	☐	☑	80.00%
Rachna Upadhya	☑	☑	☑	☐	☑	☑	☑	☑	☑	☐	80.00%
Clive Curtis			☐	☑	☑	☑	☐	☑	☑	☑	75.00%
Mike Jones	☑	☑	☑	☑	☑	☐	☑				85.71%
Steve Riley	☐	☐	☑	☐	☐	☐	☑	☐	☑	☐	30.00%
Susan Lloyd-Selby	☐	☑	☑	☑	☑	☐	☐	☐	☐	☑	50.00%
Sara Moseley	☐	☑	☑	☑	☐						60.00%
Judi Rhys						☐	☑	☑	☑	☑	80.00%
Catherine Phillips	☐	☑	☑	☑	☑	☑	☐	☑	☑	☑	80.00%
Paul Bostock	☑	☑	☐	☐	☐	☑	☑	☑	☑	☑	70.00%
Matt Phillips	☐	☑	☑	☑	☑	☑	☑	☑	☑	☑	90.00%

People & Culture Committee:Committee:

Attendance	06/05/2025	08/07/2025	14/10/2025	25/11/2025	17/02/2026	Percentage
Sara Moseley	☑	☑				100.00%
Susan Lloyd-Selby	☑	☑	☑	☐	☐	60.00%
Rhian Thomas	☑	☑	☑	☑	☐	80.00%
Mike Jones	☐	☑	☐	☑		50.00%
Clive Curtis		☑	☑	☑	☑	100.00%
Steve Riley	☐	☐	☐	☑	☑	40.00%
Rachel Gidman	☑	☑	☑	☑	☑	100.00%
Paul Bostock	☑	☐	☐	☑	☑	60.00%
Claire Beynon	☑	☑	☐	☑	☑	80.00%
Matt Phillips	☑	☑	☐	☑	☑	80.00%

Audit & Assurance Committee:

Attendance	20.05.25	25.06.25	02.09.25	18.11.25	13.01.26	Percentage
Rhian Thomas	☑	☑	☑	☑	☑	100.00%
David Edwards	☑	☑	☑	☑	☑	100.00%
Mike Jones	☑	☑	☑			100.00%
John Union	☐	☑	☐			33.33%
Ceri Phillips	☑	☑	☑	☑	☑	100.00%
Rachna Upadhya	☐	☑	☐	☑	☐	40.00%
Catherine Phillips	☐	☑	☐	☑	☑	60.00%
Rachel Gidman	☑	☑	☐	☐	☑	60.00%
Matt Phillips	☑	☑	☑	☑	☑	100.00%

Digital & Infrastructure Committee:

Attendance	28/05/2025	12/08/2025	11/11/2025	10/02/2026	Percentage
David Edwards	☑	☑	☑	☑	100.00%
Steve Riley	☑	☐	☐	☐	25.00%
Susan Lloyd-Selby	☑	☑	☐	☐	50.00%
Rachna Upadhya	☑	☐	☐	☑	50.00%
David Thomas	☑	☑	☑	☑	100.00%
Matt Phillips	☑				100.00%
Catherine Phillips	☐	☑	☑	☑	75.00%
Frankie Ogden		☑	☑	☑	100.00%

Finance & Performance Committee:

Attendance	08/05/2025	09/10/2025	22/01/2026	Percentage
Kirsty Williams	X	☐	☑	50.00%
Ceri Phillips	X	☑	☑	100.00%
Clive Curtis	X	☑	☑	100.00%
Susan Lloyd-Selby	X	☑	☐	50.00%
Rhian Thomas	X	☑	☑	100.00%
Mike Jones	X	☑	☑	100.00%
David Edwards	X	☑	☐	50.00%
Steve Riley	X	☐	☐	0.00%
Rachna Upadhya	X	☐	☑	50.00%
Judi Rhys	X	X	☐	0.00%
John Union	X	X	X	0.00%
Sara Moseley	X	X	X	0.00%
Suzanne Rankin	X	☑	☑	100.00%
Claire Beynon	X	☑	☐	50.00%
Paul Bostock	X	☑	☑	100.00%
Emma Cooke	X	☑	☑	100.00%
Rachel Gidman	X	☑	☑	100.00%
Catherine Phillips	X	☑	☑	100.00%
Jason Roberts	X	☑	☑	100.00%
David Fluck	X	☐	☐	0.00%
Matt Phillips	X	☑	☑	100.00%
Joanne Brandon	X	☐	☐	0.00%
David Thomas	X	☑	☑	100.00%

Board:

Attendance	29.05.25	25.06.25	31.07.25	25.09.25	27.11.25	29.01.26	26.03.26	Percentage
Charles Janczewski	☑	☑	☑	☐				75.00%
Ceri Phillips	☑	☑	☑	☑	☑	☑	☑	100.00%
Clive Curtis			☑	☑	☐	☑	☑	80.00%
Susan Lloyd-Selby	☑	☐	☑	☑	☐	☑	☐	57.14%
Rhian Thomas	☑	☑	☑	☑	☑	☑	☑	100.00%
Steve Riley	☐	☑	☑	☑	☐	☐	☑	57.14%
John Union	☑	☑	☑	☑				100.00%
Sara Moseley	☑	☑	☑					100.00%
Mike Jones	☑	☑	☑	☑	☑			100.00%
David Edwards	☑	☐	☑	☑	☑	☑	☑	85.71%
Rachna Upadhya	☑	☑	☐	☑	☑	☑	☑	85.71%
Judi Rhys					☑	☑	☑	100.00%
Kirsty Williams					☑	☑	☑	100.00%
Suzanne Rankin	☑	☐	☑	☑	☑	☑	☑	85.71%
Claire Beynon	☑	☑	☑	☑	☑	☑	☑	100.00%
Paul Bostock	☑	☐	☑	☐	☑	☑	☑	71.43%
Emma Cooke	☑	☑	☐	☑	☑	☑	☑	85.71%
Rachel Gidman	☑	☑	☑	☑	☑	☑	☐	85.71%
Catherine Phillips	☑	☑	☑	☑	☑	☑	☑	100.00%
Jason Roberts	☑	☑	☑	☑	☑	☑	☑	100.00%
David Fluck	☑	☑	☑	☐	☐	☑	☑	71.43%
Matt Phillips	☑	☑	☑	☑	☑	☑	☑	100.00%
Joanne Brandon	☑	☐	☑	☑	☑	☑	☑	85.71%
David Thomas	☑	☑	☑	☑	☑	☑	☑	100.00%

Table 1 - Dates of Advisory Group meetings held during 2025-2026

	Date of meetings held:					
Local Partnership Forum	10.04.25	12.06.25	30.07.25	08.10.25	17.12.25	10.02.26

The Health Board was also represented on the following Joint Committees:

- NHS Wales Shared Services Partnership Committee (SSPC)
- Joint Commissioning Committee (JCC)
- Regional Joint Committee (RJC)

Assurance reports/bulletins from the above Committees are captured on the Board agenda as required.

Appendix 2

Appendix 2 outlines the Welsh Health Circulars (WHCs) and Ministerial Directions issued by Welsh Government throughout 2025/26.

Welsh Health Circular	Date / Year of Adoption
Identity verification for digital health services in primary care (NHS login) (WHC/2025/011)	11.04.2025
Changes to prescribing antiviral and antibody treatments for COVID-19 (WHC/2025/010)	15.04.2025
People's experience framework (WHC/2024/015)	22.04.2025
NHS Wales financial monitoring return guidance: 2025 to 2026 (WHC/2025/013)	24.04.2025
Update on RSV vaccination programme 2025 (WHC/2025/016)	07.05.2025
Tirzepatide (Mounjaro®) for the management of obesity and overweight (WHC/2025/018)	09.05.2025
Tranexamic acid use: recommendation 7a of the Infected Blood Inquiry (IBI) (WHC/2025/017)	12.05.2025
Recording of mental health outcome measures (WHC/2025/006)	13.05.2025
Changes to routine childhood and selective neonatal hepatitis B vaccinations (WHC/2025/019)	22.05.2025

Introduction of routine vaccinations for mpox and gonorrhoea (WHC/2025/021)	11.06.2025
PPE stockpile volumes in Wales (WHC/2025/023)	16.06.2025
Interim changes to NHS model standing financial instructions (WHC/2025/012)	24.06.2025
Amendments to Model Standing Orders and Model Standing Financial Instructions – NHS Wales (WHC/2023/032)	24.06.2025
The national COVID-19 vaccination programme autumn 2025 (WHC/2025/022)	27.06.2025
Licensing scheme for special procedures in Wales (WHC/2025/008)	27.06.2025
Overseas visitors' eligibility to receive free primary care (WHC/2025/025)	14.07.2025
All-Wales gluten free subsidy card scheme (WHC/2025/027)	17.07.2025
The safe and responsible adoption of ambient voice technologies (AI scribes) in clinical settings (WHC/2025/026)	05.08.2025
The national influenza immunisation programme 2025 to 2026 (WHC/2025/020)	12.08.2025
Expansion of shingles immunisation for severely immunosuppressed people aged 18 to 49 (WHC/2025/028)	14.08.2025
Introduction of a new RSV passive immunisation from autumn 2025 (WHC/2025/029)	14.08.2025
Accessible communication and information standards in healthcare (WHC/2025/038)	23.09.2025
Data standards notice of change for Waiting Well single point of contact (WHC/2025/031)	26.09.2025
Data standards notice of change for planned care referrals (WHC/2025/034)	01.10.2025
Infected blood inquiry: implementing recommendation 7e, SHOT reports (WHC/2025/037)	20.10.2025
Update: NHS Wales national clinical audit and outcome review plan 2025 to 2026 (WHC/2025/042)	20.10.2025

NHS Wales national clinical audit and outcome review plan 2025 to 2026 (WHC/2025/004)	20.10.2025
New clinical pathway for treating and managing obesity (WHC/2025/043)	23.10.2025
Antimicrobial resistance and healthcare associated infection improvement goals: 2025 to 2027 (WHC/2025/039)	28.10.2025
Changes to standing orders for the Joint Commissioning Committee (WHC/2025/045)	30.10.2025
Routine varicella (chickenpox) vaccination for young children from 1 January 2026 (WHC/2025/046)	03.11.2025
NHS Wales hearing care: future approach to audiology services (WHC/2025/024)	11.12.2025
Safety netting discharge leaflets for adults and children (WHC/2025/051)	15.12.2025
Patient Travel Policy (WHC/2025/049)	15.12.2025
Pneumococcal vaccination: product change (WHC/2025/054)	17.12.2025
Call4Concern: timelines and responsibilities (WHC/2026/001)	08.01.2026
COVID-19 spring vaccination programme 2026 (WHC/2025/052)	15.01.2026
Update on RSV vaccination programme 2026 (WHC/2025/053)	02.02.2026
Code of Practice Quality Assurance and Performance Management, Escalating Concerns, and Closure of Regulated Care and Support Services (WHC/2025/044)	04.02.2026
Data standards notice of change for planned care activity (WHC/2026/002)	03.03.2026
NHS Research and Development Finance Policy 2026 (WHC/2026/008)	11.03.2026
Refreshed Intellectual Property guidance for NHS Wales organisations (WHC/2026/004)	26.03.2026

Ministerial Directions (MD)	Date / Year of Adoption
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2025	22.04.2025
The Primary Medical Services (Intra-Periarticular Injections) (Directed Supplementary Services (Wales) Directions 2025	19.05.2025
The Primary Care (Contracted Services: Immunisations) (Influenza) Directions 2025	30.05.2025
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2025	09.06.2025
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2025	23.07.2025
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 5) Directions 2025	08.08.2025
The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults (Directed Supplementary Service) (Wales) (Amendment) Directions 2025	13.08.2025
The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) Directions 2024	13.08.2025
The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No 4) Directions 2025	04.09.2025
The directed supplementary services directions and specification for people living with severe frailty in their own homes 2025	30.09.2025
The Primary Care (Contracted Services: Outpatients Waiting Lists First Appointment Scheme) Directions and Specification 2025	14.10.2025
Statement of general ophthalmic services remuneration and fee directions: 2025	11.11.2025
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 6) Directions 2025	02.12.2025
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2026	03.12.2025

Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 7) Directions 2025	16.12.2025
The Primary Medical Services (Minor Surgery) (Directed Supplementary Services (Wales) Directions 2025	22.12.2025
The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No 5) Directions 2025	23.12.2025
The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No 5) Directions 2025	23.12.2025
The Nursery Milk Scheme (Wales) Directions 2026	14.01.2026
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2026	16.01.2026
Code of Practice Quality Assurance and Performance Management, Escalating Concerns, and Closure of Regulated Care and Support Services 2026	04.02.2026
The Directions to Local Health Boards and NHS Trusts in Wales on Quality Assurance and Performance Management, Escalating Concerns, and Closure of Regulated Care and Support Services 2026 (NWSI 2026 No.17)	04.02.2026
The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2026 (NWSI 2026 No. 18)	05.02.2026
The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2024 (revoked)	23.02.2026
The Wales Infected Blood Support Scheme (Amendment) Directions 2026	06.03.2026
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2026	11.03.2026
The Directions to Local Health Boards and NHS Trusts in Wales on Quality Assurance and Performance Management, Escalating Concerns, and Closure of Regulated Care and Support Services 2026 (NWSI 2026 No.17)	13.03.2026
The Primary Medical Services (People Living with Severe Frailty in their own Homes) (Directed Supplementary Service) (Wales) (Amendment) Directions 2026	19.03.2026
Mental Health Review Tribunal for Wales (Membership) Act 2026	24.03.2026

Remuneration and Staff Report

Part 2b

16. Remuneration and Staff Report

16.1 Staff Numbers

CAVUHB's workforce profile identifies that approximately 76% of the workforce is female. This is not representative of the local community where a little more than half the population is female. The numbers of female and male directors, managers and employees as of 31st March 2026 were as follows:

	Female	Male	Total
Director	7	7	14
Manager	211	116	327
Employee	12,701	4,079	16,780
Total	12,919	4,202	17,121

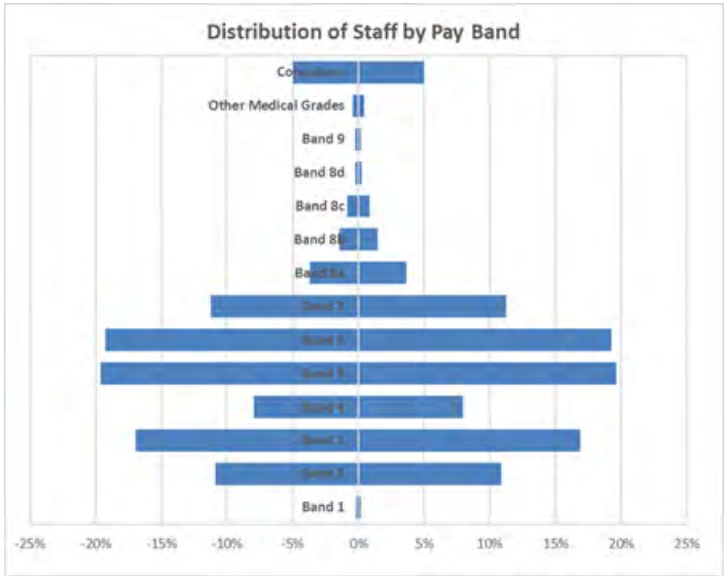
16.2 Staff Composition

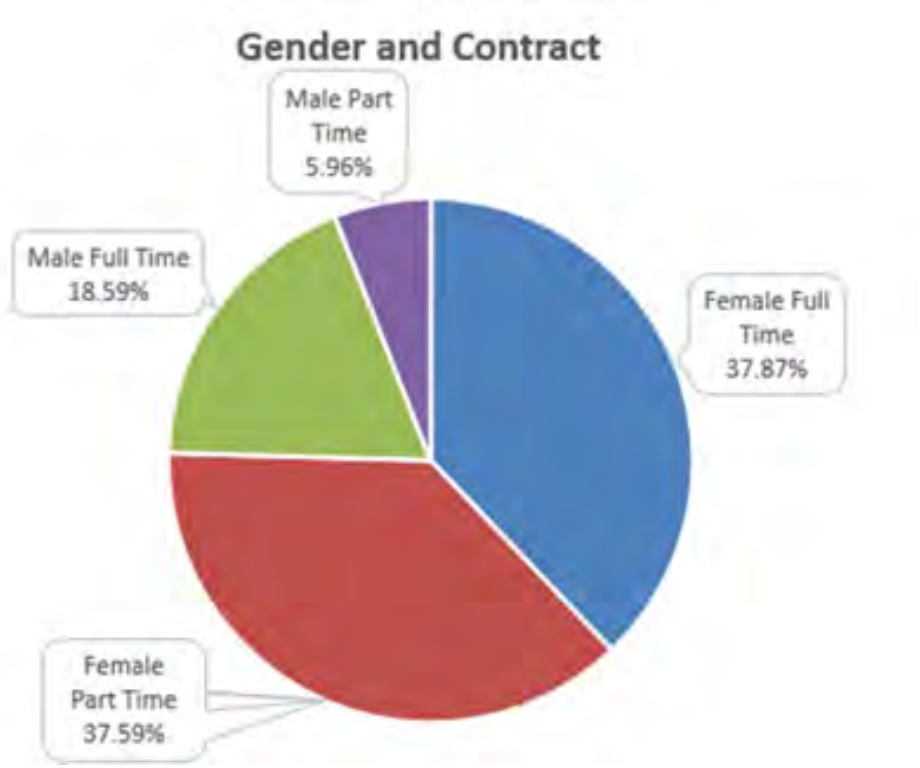
CAVUHB has a diverse workforce of 17,121 staff (14,970.70 whole-time equivalents) working in many different types of roles, and together with volunteers, colleagues in social care and carers, we have a significant impact on our population.

Understanding the composition of our workforce helps ensure we have the right people, with the right skills, in the right roles to meet current and future service needs, enabling staff to work to the top of their licence or scope of practice. Our People and Culture Plan recognises we, along with the broader NHS in Wales, face social, economic, technological and demographic changes. As services evolve, we must continue to adapt how we recruit, retain and support our workforce to ensure it remains sustainable and reflective of the communities we serve. The Plan is currently under review following completion of the Clinical Services Plan.

The charts below indicate the key considerations when planning how best to deploy our current workforce and prepare for future service demand.

The largest grade categories are staff in Agenda for Change Bands 3, 5 and 6. Ongoing review of skill mix and new ways of working is important to ensure future supply of skills in the right place and grade There is also a need for continued workforce modernisation, including development of new roles and extended skills, supported by improved workforce intelligence and planning capability This includes the development of appropriate efficiency and productivity measures that help facilitate benchmarking and demonstrate value as the shape of the workforce continues to change.

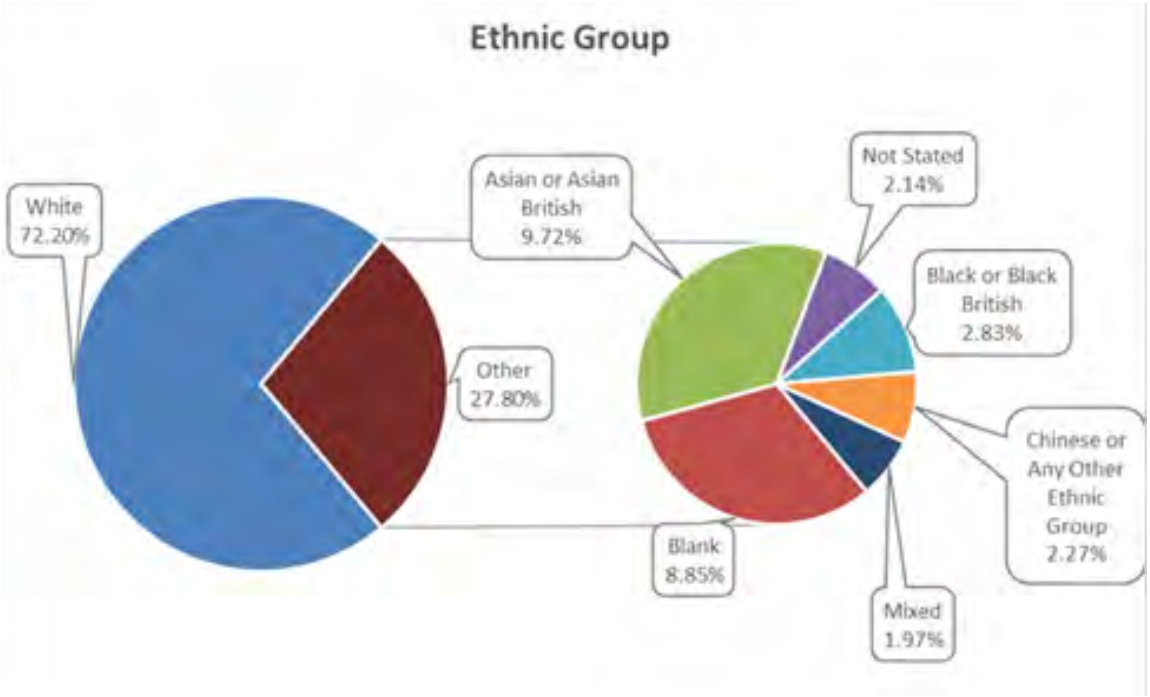




The majority of the workforce is white (72.20%) which is split into the following groups:

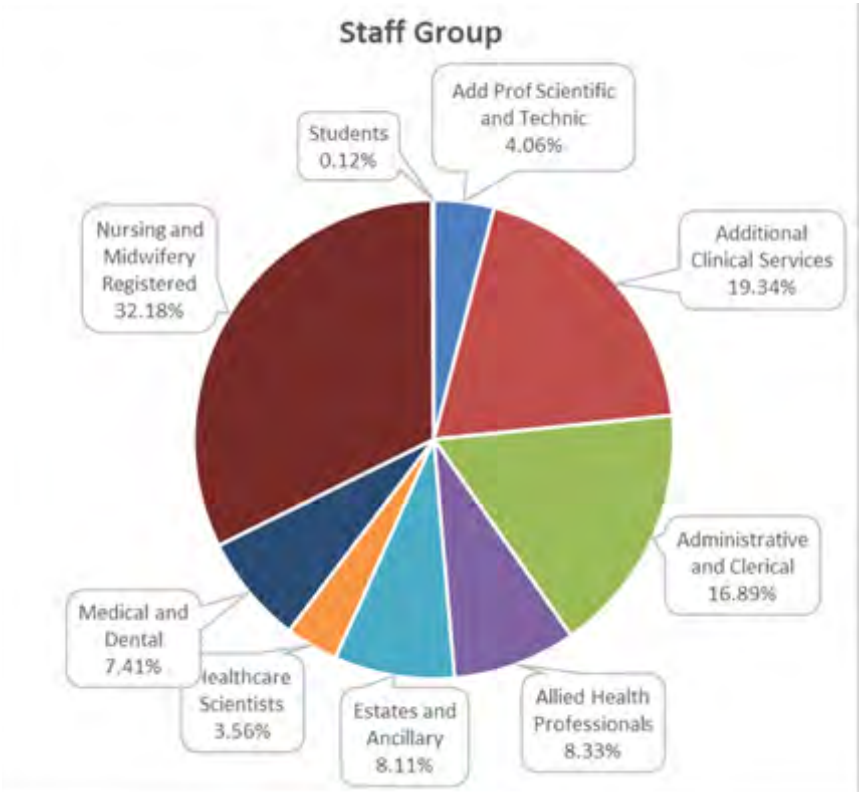
Black & Minority Ethnic Categories – 16.80%
Not stated – 10.99%

The Strategic Equality Plan has a number of actions to continue to review the workforce to ensure it strives to reflect the local population where relevant e.g. in recruiting practices.

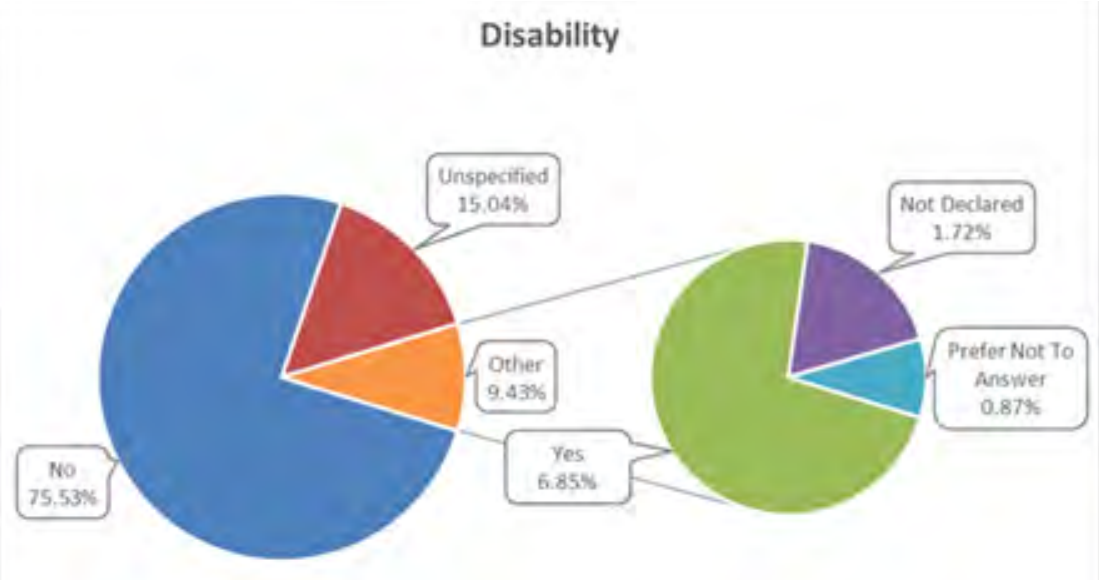


Nursing & Midwifery Registered staff make up just over 32% of the total workforce and Healthcare Support Workers a further 11%.

Over the last 2 years there has been a marked shift in registered nurse availability. For 202-2026, all graduates that were commissioned in 2022 and who wanted to come to Cardiff were accommodated.

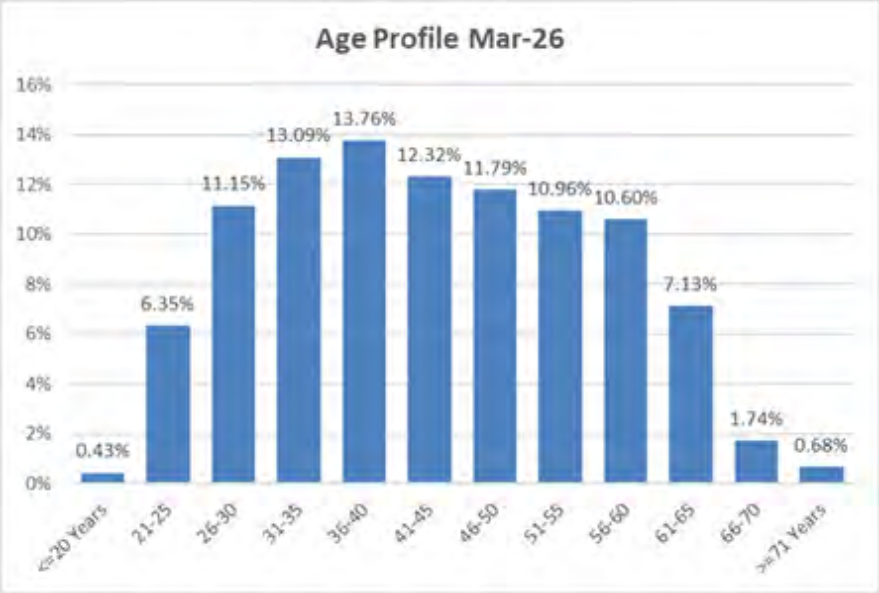


Workforce profile information collected for CAVUHB in March 2026 shows that 6.85% of staff consider themselves to have a disability, but this information is not known for a significant number of staff (15.04%). Improving workforce data completeness remains important to support equality monitoring and workforce planning.

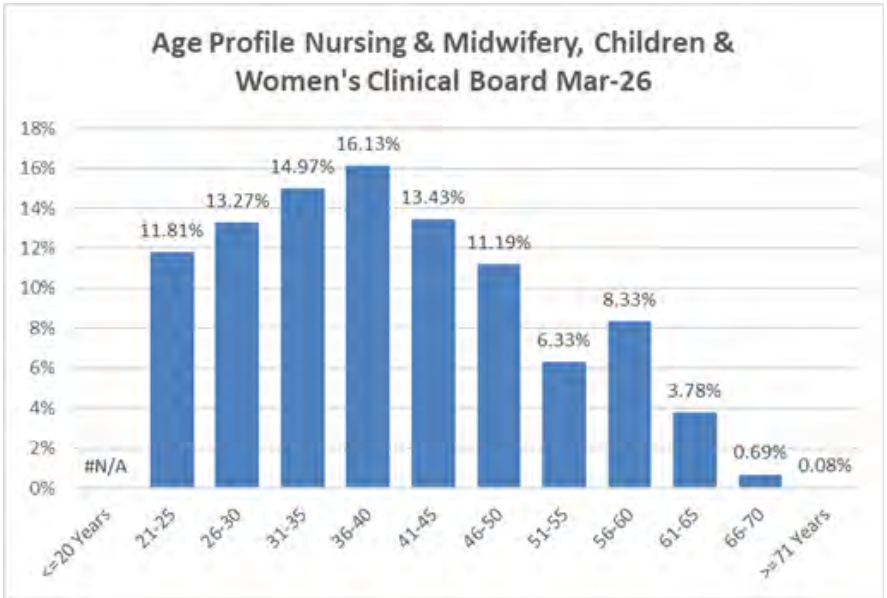


Staff Age Profile

CAVUHB has an ageing workforce with the largest age categories being aged 36 - 40 years (2,356 staff), 31 - 35 years (2,241 staff) and 41-45 (2,109 staff)



Like Cardiff and Vale population trends, over a quarter (31%) of the Health Board's workforce are 51 years or over and is showing a gradual decline in those employed up to 30 years of age (18.16%). It is important that each of our services regularly review their workforce plans, as the age profile for certain staff groups can vary. For example, the age profile for nursing and midwifery in Children & Women Clinical Board shows a younger age profile, (as shown below), therefore, indicating that they need to ensure a balance of experience and succession planning as part of their workforce plan.



Like Cardiff and Vale population trends, over a quarter (31%) of the Health Board's workforce are 51 years or over and is showing a gradual decline in those employed up to 30 years of age (18.16%). It is important that each of our services regularly review their workforce plans, as the age profile for certain staff groups can vary. For example, the age profile for nursing and midwifery in Children & Women Clinical Board shows a younger age profile, (as shown below), therefore, indicating that they need to ensure a balance of experience and succession planning as part of their workforce plan.

16.3 Sickness Absence Data

The health and wellbeing of CAVUHB staff is of upmost importance, especially at this unprecedented time and much of the work carried out in 2025-26 has been described in the Performance Report.

Sickness absence remains a priority. The cumulative sickness rate for the 12-month period up to and including March 2026 is 6.38% which is 0.88% above the 2025-2026 year-end target of 5.50%.

Targeted interventions have been rolled out in hotspot areas across Clinical Boards to help manage short-term sickness and prevent it from escalating into long-term absence. This has resulted in notable reductions in sickness rates within several areas. However, these improvements have not been sustained, and these local reductions are not reflected in CAVUHB's cumulative sickness rate. However, the in-month rate for December 2025 was lower than December 2024.

68.36% of this sickness was attributed to long-term absence and 31.64% to short-term absence. The top reasons recorded for absence during 2025-2026 were

'Anxiety/stress/depression/other psychiatric illnesses' 35.70%
and 'Cold, Cough, Flu – Influenza' 9.59%.

Anxiety/stress/depression/other psychiatric illnesses have consistently been the top reason for sickness absence within the UHB for several years. Contributing factors may include increased workloads, operational pressures, staffing shortages, and the impact of organisational change. High rates of stress-related absence have contributed to increased pressure on remaining staff, potentially creating a cycle of further stress and burnout.

Addressing stress and anxiety related sickness remains a priority. The actions taken to date have laid a foundation for supporting staff well-being, but continued vigilance and adaptation are required to reduce sickness rates and foster a supportive working environment.

CAVUHB is extending its focus beyond traditional workplace wellbeing to adopt a population health approach to staff health. This work, developed jointly with Public Health Wales, aims to understand the wider determinants of workforce health (including socio-economic and demographic factors), identify risk patterns, and co-design targeted interventions to improve long-term staff outcomes.

The following table provides information on the number of days lost due to sickness during 2024-2025 and 2025-2026.

	2025-26	2024-25
		Number
WTE Calendar Days lost (long term)	243,109.97	231,569.64
WTE Calendar Days lost (short term)	112,521.94	119,080.94
Total WTE calendar days lost	**355,631.91**	**350,650.58**
Total WTE calendar days available /365.25 = average WTE staff in post	15,263.27	15,166.43
Average WTE calendar days lost (i.e per WTE)	23.30	23.12
Total staff employed in period (headcount)	17,382	17,454
Total staff employed in period with no absence (headcount)	5,054	5,197
Percentage staff with no sick leave	**29.08%**	**29.78%**

16.4 Staff Policies

CAVUHB maintains a suite of employment policies which set out organisational commitments and expectations for the fair and consistent treatment of staff. These policies, alongside All-Wales NHS policies, support recruitment, development, wellbeing and inclusion across the workforce, ensuring staff are supported to deliver high-quality services to the population we serve.

Policies are developed and reviewed in partnership with staff representatives through established partnership arrangements, ensuring they remain fair, transparent and responsive to workforce needs.

The Health Board remains committed to equality, inclusion and human rights in employment. The Equality, Inclusivity and Human Rights Policy underpins action to ensure that no applicant or employee is disadvantaged on the basis of protected characteristics, and supports fair access to employment, development and career progression. This commitment is further demonstrated through participation in initiatives such as Disability Confident Leader, Mindful Employer and Stonewall Cymru, promoting an inclusive working environment that reflects the diversity of our communities.

16.5 Salary and Pension Entitlements of Senior Managers 2025-2026

Full details of senior managers' renumerations for 2025-2026 are provided in the audited tables that follow:
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.'

CARDIFF AND VALE UNIVERSITY LOCAL HEALTH BOARD REMUNERATION REPORT 2025-26

Salaries of Senior Managers

Name and title	31-Mar-2026 Full Year Equivalent Salary (bands of £5,000) £000	Salary (bands of £5,000) £000	Other Remuneration (bands of £5,000) £000	Bonus Payments (bands of £5,000) £000	Benefits in kind (Rounded to the nearest £00) £00	Pension Benefits (Bands of £2.5k) £000	Total (bands of £5,000) £000
Cardiff and Vale University Local Health Board							
Officer Members							
Suzanne Rankin, Chief Executive	250-255	250-255	0	0	0	0	250-255
Paul Bostock, Chief Operating Officer	170-175	170-175	0	0	0	0	170-175
Jason Roberts, Executive Nurse Director	145-150	145-150	0	0	25	57.5-60	205-210
David Fluck, Exec Medical Life Science & Precision Med Director	210-215	210-215	0	0	30	52.5-55	265-270
Catherine Phillips, Executive Director of Finance	195-200	195-200	0	0	21	72.5-75	270-275
Rachel Gidman, Executive Director of People and Culture	150-155	150-155	0	0	31	50-52.5	205-210
Emma Cooke , Executive Director of Therapies & Health Science	140-145	140-145	0	0	17	87.5-90	230-235
Claire Beynon, Executive Director of Public Health	145-150	145-150	0	0	0	47.5-50	195-200
Other Directors							
Matt Phillips, Director of Corporate Governance	125-130	125-130	0	0	11	30-32.5	160-165
David Thomas, Director of Digital and Health Intelligence	125-130	125-130	0	0	22	32.5-35	160-165
Independent Members (IM)							
Charles Janczewski, Chair	65-70	30-35	0	0	0	0	30-35
Kirsty Williams, Chair	70-75	35-40	0	0	0	0	35-40
Ceri Phillips, Independent Member - Vice Chair	55-60	55-60	0	0	0	0	55-60
John Union, Independent Member - Finance	15-20	5-10	0	0	0	0	5-10
David Edwards, Independent Member - Information, Communication and Technology	15-20	15-20	0	0	0	0	15-20
Sara Moseley, Interim Independent Member - Third (Voluntary) Sector	15-20	5-10	0	0	0	0	5-10
Judi Rhys, Independent Member - Third (Voluntary) Sector	15-20	5-10	0	0	0	0	5-10
Clive Curtis, Independent Member - Community Focus	15-20	10-15	0	0	0	0	10-15
Rhian Thomas, Independent Member - Capital and Estates	15-20	15-20	0	0	0	0	15-20
Rachna Upadhya, Independent Member - General	15-20	15-20	0	0	0	0	15-20
Mike Jones, Interim Independent Member - Trade Union	0	0	50-55	0	0	0	50-55
Lorna McCourt, Independent Member - Trade Union	0	0	0-5	0	0	0	0-5
Susan Lloyd-Selby, Independent Member - Local Authority	15-20	15-20	0	0	0	0	15-20
Honorary Independent Member							
Steve Riley - Universities	0	0	0	0	0	0	0-5
Associate Members							
Lani Tucker, Associate Board Member - Chair of Stakeholder Reference Group	0	0	0	0	0	0	0-5

The pension benefit is not an amount which has been paid to an individual by the UHB during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a persons salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

CARDIFF AND VALE UNIVERSITY LOCAL HEALTH BOARD REMUNERATION REPORT 2025-26

Salaries of Senior Managers

Name and title	Full Year Equivalent Salary (bands of £5,000)	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Bonus Payments (bands of £5,000)	Benefits in kind (Rounded to the nearest £00)	Pension Benefits (Bands of £2.5k)	Total (bands of £5,000)
	31-Mar-2025						
	£000	£000	£000	£000	£00	£000	£000
Cardiff and Vale University Local Health Board							
Officer Members							
Suzanne Rankin, Chief Executive	240-245	240-245	0	0	0	0	240-245
Paul Bostock, Chief Operating Officer	165-170	165-170	0	0	0	80-82.5	245-250
Jason Roberts, Executive Nurse Director	140-145	140-145	0	0	17	42.5-45	185-190
Richard Skone , Interim Executive Medical Director	195-200	100-105	0	0	9	160-162.5	260-265
David Fluck, Executive Medical Director	215-220	100-105	5-10	0	0	22.5-25	135-140
Catherine Phillips, Executive Director of Finance	190-195	190-195	0	0	14	82.5-85	275-280
Rachel Gidman, Executive Director of People and Culture	145-150	145-150	0	0	15	75-77.5	225-230
Emma Cooke , Executive Director of Therapies & Health Science	130-135	120-125	0	0	10	235-237.5	355-360
Fiona Jenkins, Executive Director of Therapies & Health Science	75-80	5-10	0	0	0	0	5-10
Marie Davies , Interim Executive Director of Planning	155-160	125-130	0	0	0	235-237.5	365-370
Claire Beynon, Executive Director of Public Health	140-145	140-145	0	0	0	112.5-115	255-260
Other Directors							
Matt Phillips, Director of Corporate Governance	120-125	120-125	0	0	7	30-32.5	155-160
David Thomas, Director of Digital and Health Intelligence	120-125	120-125	0	0	15	35-37.5	155-160
Independent Members (IM)							
Charles Janczewski, Chair	65-70	65-70	0	0	0	0	65-70
Ceri Phillips, Independent Member - Vice Chair	55-60	55-60	0	0	0	0	55-60
John Union, Independent Member - Finance	15-20	15-20	0	0	0	0	15-20
David Edwards, Independent Member - Information, Communication and Technology	15-20	15-20	0	0	0	0	15-20
Sara Moseley, Independent Member - Third (Voluntary) Sector	15-20	15-20	0	0	0	0	15-20
Akmal Hanuk, Independent Member - Local Community	15-20	15-20	0	0	0	0	15-20
Rhian Thomas, Independent Member - Capital and Estates	15-20	15-20	0	0	0	0	15-20
Rachna Upadhya, Independent Member - General	15-20	0-5	0	0	0	0	0-5
Mike Jones, Independent Member - Trade Union	0	0	50-55	0	0	0	50-55
Susan Lloyd-Selby, Independent Member - Local Authority	15-20	15-20	0	0	0	0	15-20
Honorary Independent Member							
Steve Riley - Universities	0	0	0	0	0	0	0-5
Associate Members							
Lani Tucker, Associate Board Member - Chair of Stakeholder Reference Group	0	0	0	0	0	0	0-5

The pension benefit is not an amount which has been paid to an individual by the UHB during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a persons salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

The figures in the table above for the financial year 2024/25 have been restated in line with changes this year to show salaries for board members as net of any salary sacrifice schemes.

Salary and Pension entitlements of Senior Managers

Mike Jones was not remunerated as a Member of the Board, however he is an employee of the Health Board and his salary costs are shown in the Other Remuneration column. This was also the case for Lorna McCourt, who replaced Mike Jones as Independent Member for Trade Unions.

Jason Roberts, Catherine Phillips, Rachel Gidman, David Fluck, Emma Cooke, David Thomas, and Matt Phillips were members of the NHS Wales Lease Car Salary benefit scheme during the financial year, which is open to all UHB employees. An element of an employee's salary is 'swapped' for the use of a new car. In the Remuneration table for 2025-26 the total amount of £69,705 swapped for the use of the car has been excluded in the Salary column by the following amounts:

J Roberts £13,109
C Phillips £8,596
R Gidman £11,874
D Fluck £12,125
E Cooke £8,168
D Thomas £9,087
M Phillips £6,646

The gross salary bandings (in £5k bands) for these executives would have been as follows;

J Roberts 160-165
C Phillips 205-210
R Gidman 165-170
D Fluck 220-225
E Cooke 145-150
D Thomas 135-140
M Phillips 130-135

Changes to Board Membership in 2025-26

(1) **Charles Janczewski** left their role as Chair on 30th September 2025.

(2) **Kirsty Williams** started their role as Chair on 1st October 2025.

(3) **Paul Bostock**, Chief Operating Officer, retired on 30th June 2025 and returned to that role on 2nd July 2025.

(4) **Clive Curtis** started as Independent Member for Community on 2nd June 2025.

(5) **Sara Moseley** left their role as Independent Member for the Third Sector on 31st August 2025.

(6) **John Union** left their role as Independent Member Finance on 30th September 2025.

(7) **Judi Rhys** started as Independent Member for the Third Sector on 13th October 2025.

(8) **Mike Jones** left their role as Independent Member for Trade Union on 2nd March 2026.

(9) **Lorna McCourt** started as Independent Member for Trade Union on 9th March 2026.

(10) **Lani Tucker** left their role as Associate Board Member - Chair of Stakeholder Reference Group on 31st December 2025.

Remuneration Relationship

The details of the Remuneration Relationship are reported at section 9.6 of the Financial Statements.

Pension Benefits

Name and title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31/03/26	Lump sum at pension age related to accrued pension at 31/03/2026	Cash Equivalent Transfer Value at 31 March 2026	Cash Equivalent Transfer Value at 31 March 2025	Real increase (decrease) in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Paul Bostock, Chief Operating Officer	0	0	10-15	0	199	1,413	0	0
Jason Roberts, Executive Nurse Director	2.5-5	2.5-5	70-75	175-180	1,602	1,490	69	0
David Fluck, Exec Medical Life Science & Precision Med Director	2.5-5	0	5-10	0	142	67	48	0
Catherine Phillips, Executive Director of Finance	2.5-5	2.5-5	90-95	235-240	2,220	2,064	93	0
Rachel Gidman, Executive Director of People and Culture	2.5-5	0-2.5	60-65	150-155	1,403	1,304	58	0
Emma Cooke , Executive Director of Therapies & Health Science	2.5-5	5-7.5	50-55	120-125	1,074	950	90	0
Claire Beynon, Executive Director of Public Health	2.5-5	0-2.5	35-40	75-80	770	696	43	0
Matt Phillips, Director of Corporate Governance	0-2.5	0	5-10	0	80	48	15	0
David Thomas, Director of Digital and Health Intelligence	2.5-5	0	10-15	0	266	212	35	0

Note 1 - Suzanne Rankin, Chief Executive is not a member of the NHS Pension scheme and therefore no pension figures are reported.
Note 2 - Paul Bostock, Chief Operating Officer, retired on 30th June 2025 and returned on 2nd July 2025

As Non-Officer members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Officer members.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2026.

Real Increase in CETV

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

16.6 Consultancy Expenditure

As disclosed in note 3.3 of the annual accounts, CAVUHB spent £2.524m on consultancy services during 2025-2026 compared to £1.443m in 2024-2025. The majority of this expenditure going towards projects aimed at delivering better clinical outcomes for patients and improving efficiencies.

16.7 Tax Assurance for Off-payroll Appointees

Tax assurance for off-payroll appointees

Highly paid off-payroll worker engagements as at 31st March 2026 earning £245 per day or greater.

No. of existing engagements as of 31 March 2026	0
Of which:	
No that existed at the time of reporting less than 1 year	0
for between 1 and 2 years	0
for betwwen 2 and 3 years	0
for between 3 and 4 years	0
for 4 or more years	0

While the UHB is not responsible for deducting tax and national insurance in respect of Agency staff, we have written to the agencies concerned stating that we believe that our relationship with the staff is one of employment and so they should be paying these employees under deduction of tax and national insurance.

No. of temporary off-payroll workers, during the year ended 31st March 2026	36
Not subject to off-payroll legislation	36
Subject to off-payroll legislation and determined as in scope of IR35	0
Subject to off-payroll legislation and determined as out of scope of IR35	0
No.of engagements reassessed for compliance of assurance purposes during the year	0
Of which: Number of engagements that saw a change to IR35 status following the consistency review	0

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

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. 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 should include both on payroll and off-payroll engagements.	0

Please note that the UHB considers that its Board members are the only officials who have significant responsibility within the Health Board.

Part 2c
Senedd Cymru/Welsh Parliament Accountability & Audit Report

17.1 Regularity of Expenditure

The NHS Wales Planning Framework for the period 2025-2028, placed a requirement upon Local Health Boards in Wales (LHBs) to prepare and submit an Integrated Medium-Term Plan to the Welsh Government.

CAVUHB did not submit an Integrated Medium-Term Plan for the period 2025-2028.

CAVUHB submitted an Integrated Medium-Term Plan for the period 2022-2025 in accordance with NHS Wales Planning Framework; however this was not approved due to the Plan being unable to deliver a balanced financial position.

Until a balanced three-year Integrated Medium-Term Plan can be submitted, Welsh Government places a requirement on CAV-UHB to submit a One Year Operational Plan.

In the absence of an approved Integrated Medium-Term Plan, CAVUHB submitted a one year Operational Plan in respect of the 2025-2026 financial year.

CAVUHB submitted a draft plan to Welsh Government at the end of March 2025 based on a planned deficit of £58.2m. Following submission, Welsh Government requested further actions to reduce the forecast deficit, and CAVUHB subsequently confirmed that progress in identifying savings provided sufficient assurance to increase planned savings by £2m, reducing the forecast 2025-2026 deficit to £56.2m.

As the plan continues to project an in year deficit, it does not meet the statutory requirement to deliver a balanced three year rolling financial plan and therefore cannot receive Ministerial approval.

CAVUHB reported deficits of £16.404m in 2023-2024, £27.627m in 2024-2025 and £56.102m in 2025-2026. Over the three-year period, this represents an aggregated deficit of £100.133m. This expenditure constitutes irregular expenditure

17.2 Long Term Expenditure Plans 2020-2026

	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
Net operating costs for the year	1,228,135	1,309,705	1,388,556	1,536,764	1,667,026
Less general ophthalmic services expenditure and other non-cash limited expenditure	(14,237)	(13,361)	(13,794)	(13,833)	(16,370)
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(222)	(222)	(222)	(222)	(222)
Total operating expenses	1,213,676	1,296,122	1,374,540	1,522,709	1,650,434
Revenue Resource Allocation	1,213,908	1,269,333	1,358,136	1,495,082	1,594,332
Under /(over) spend against Allocation	**232**	**(26,789)**	**(16,404)**	**(27,627)**	**(56,102)**

CAVUHB has not met its financial duty to break even against its Revenue Resource Limit over the 3 years 2023-2024 to 2025-2026.

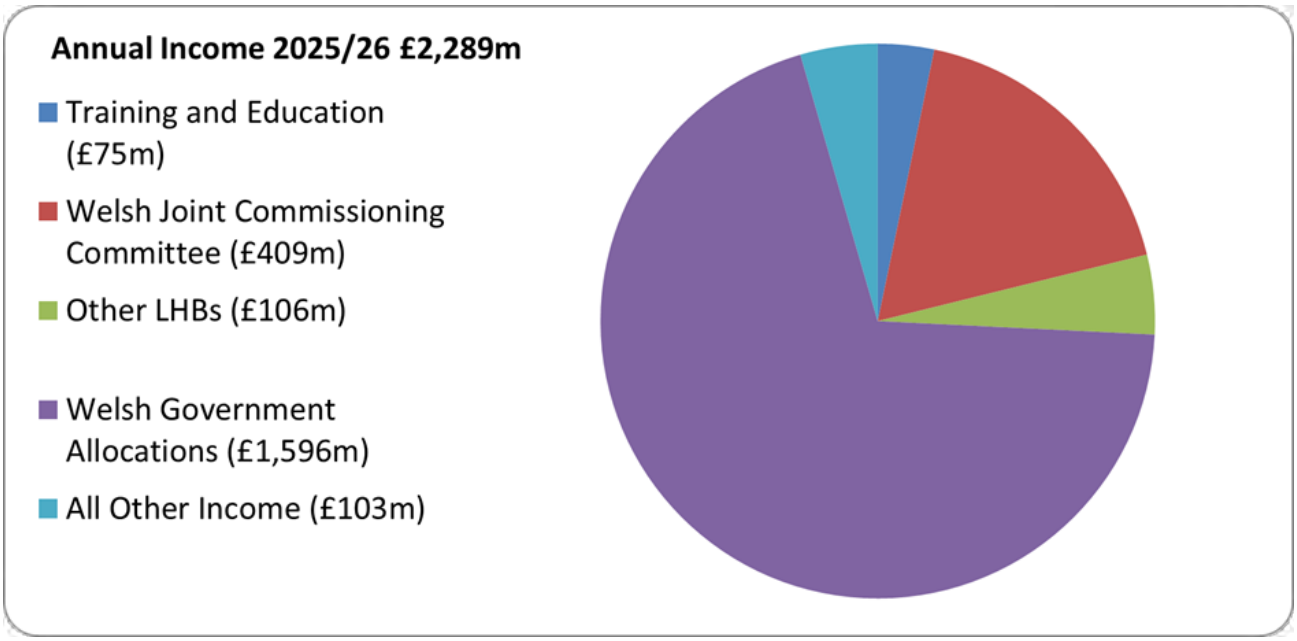
The Health Board received £33.0m cash-only support from Welsh Government during 2025-2026 with the accumulated cash-only support for the three-year period 2023-2026 as at 31st March 2026 being £70.060m. This support has been provided by Welsh Government to assist with making payments to staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

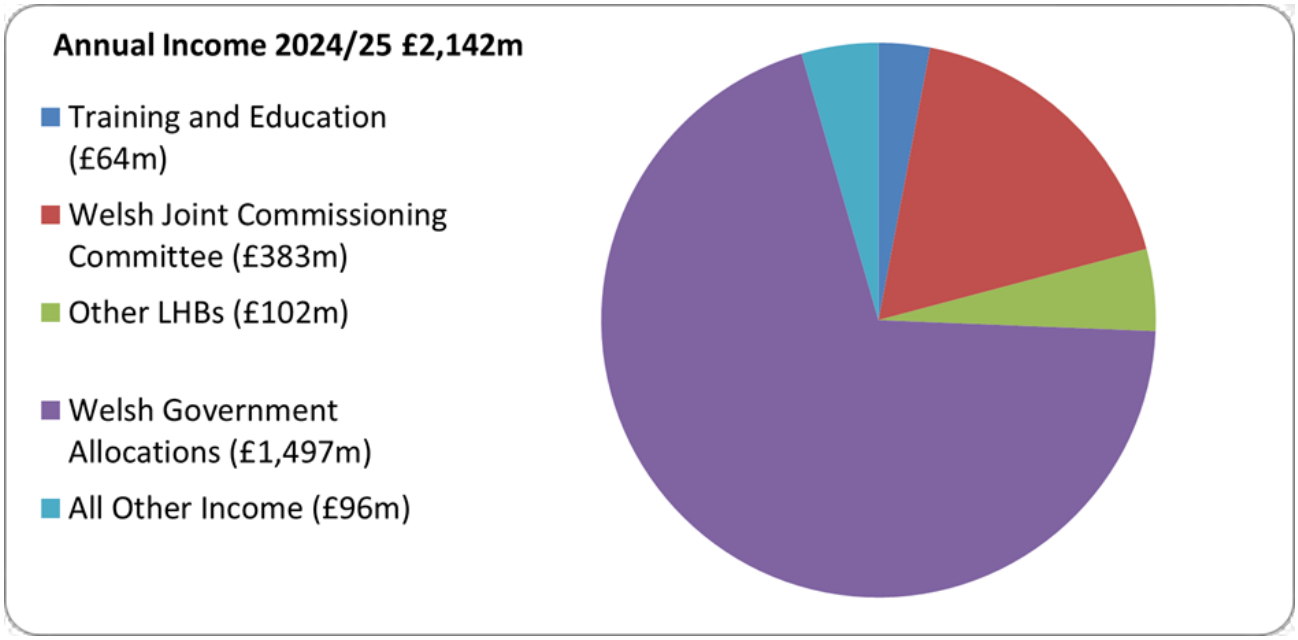
	2023-24 £000	2024-25 £000	2025-26 £000	Total £000
Gross capital expenditure	46,218	68,197	66,932	**181,347**
Add: Losses on disposal of donated assets	4	0	0	**4**
Less NBV on disposal of property, plant and equipment, right of use anc	(114)	(206)	(244)	**(564)**
Adjustment for transfers (to)/from NHS Trusts	0	(7,799)	0	**(7,799)**
Less capital grants received	0	0	0	**0**
Less donations received	(577)	(572)	(1,128)	**(2,277)**
Less IFRS16 Peppercorn income	0	(712)	0	**(712)**
Less initial recognition of RoU Asset Dilapidations	0	0	0	**0**
Charge against Capital Resource Allocation	45,531	58,908	65,560	**169,999**
Capital Resource Allocation	45,603	59,156	65,849	**170,608**
(Over) / Underspend against Capital Resource Allocation	**72**	**248**	**289**	**609**

Cardiff and Vale University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2023-24 to 2025-26.

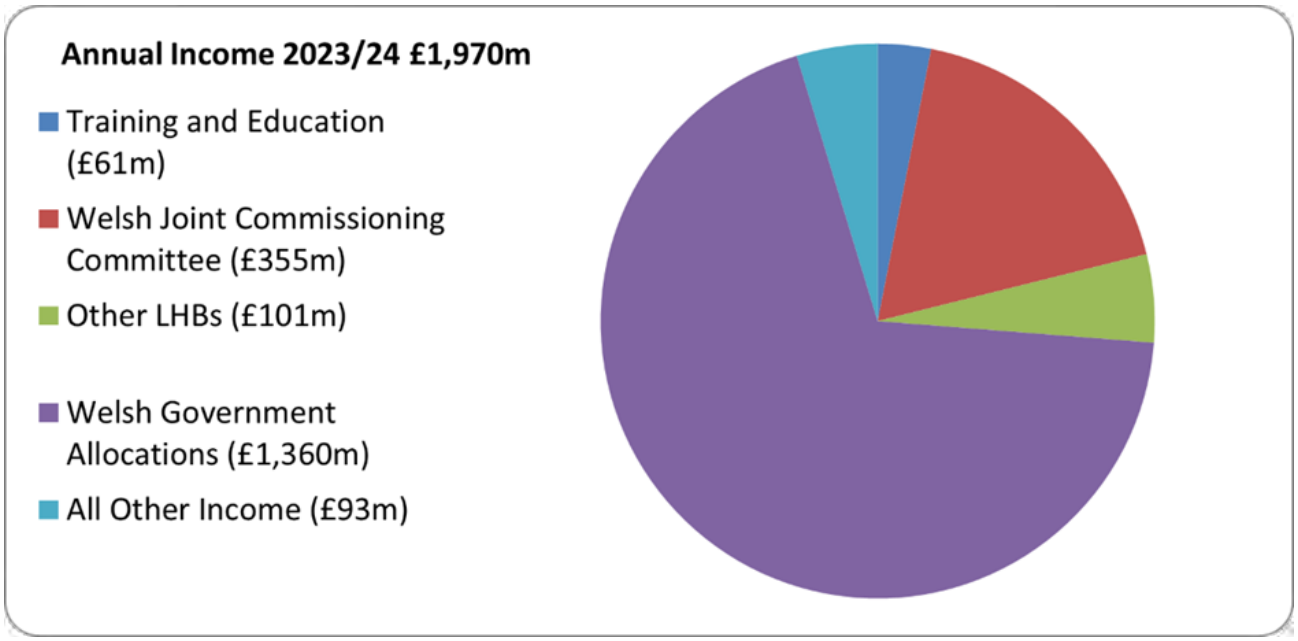
How the Health Board has received its Revenue Funding 2025/26



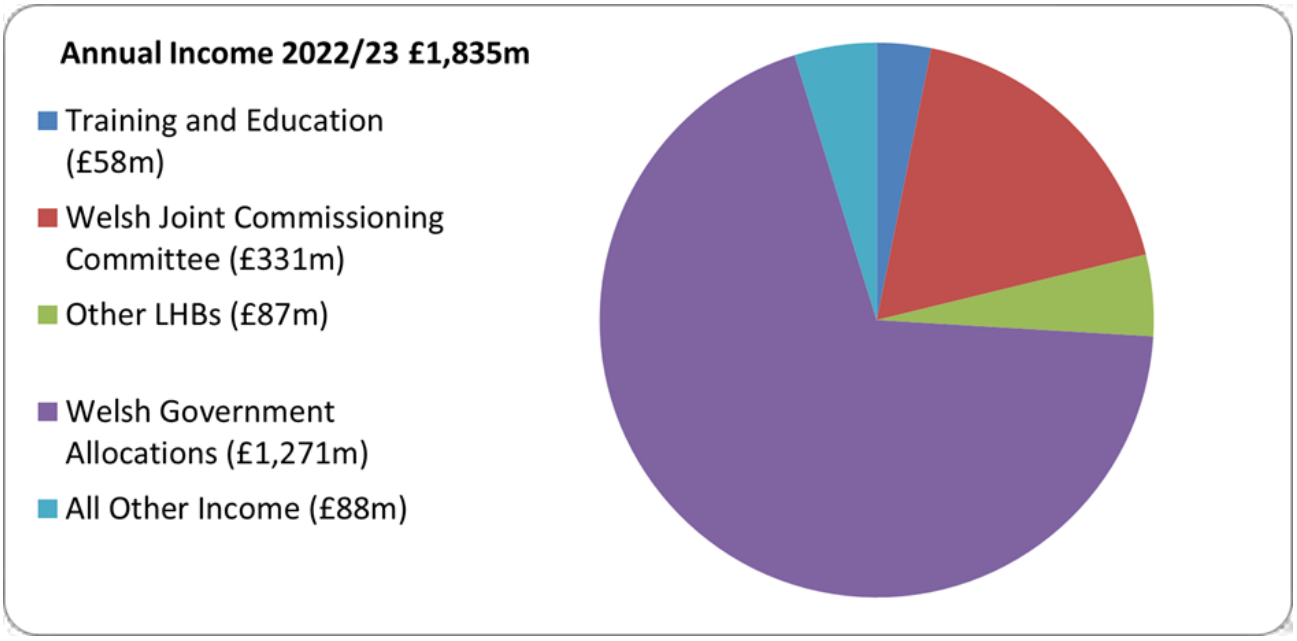
2024/25



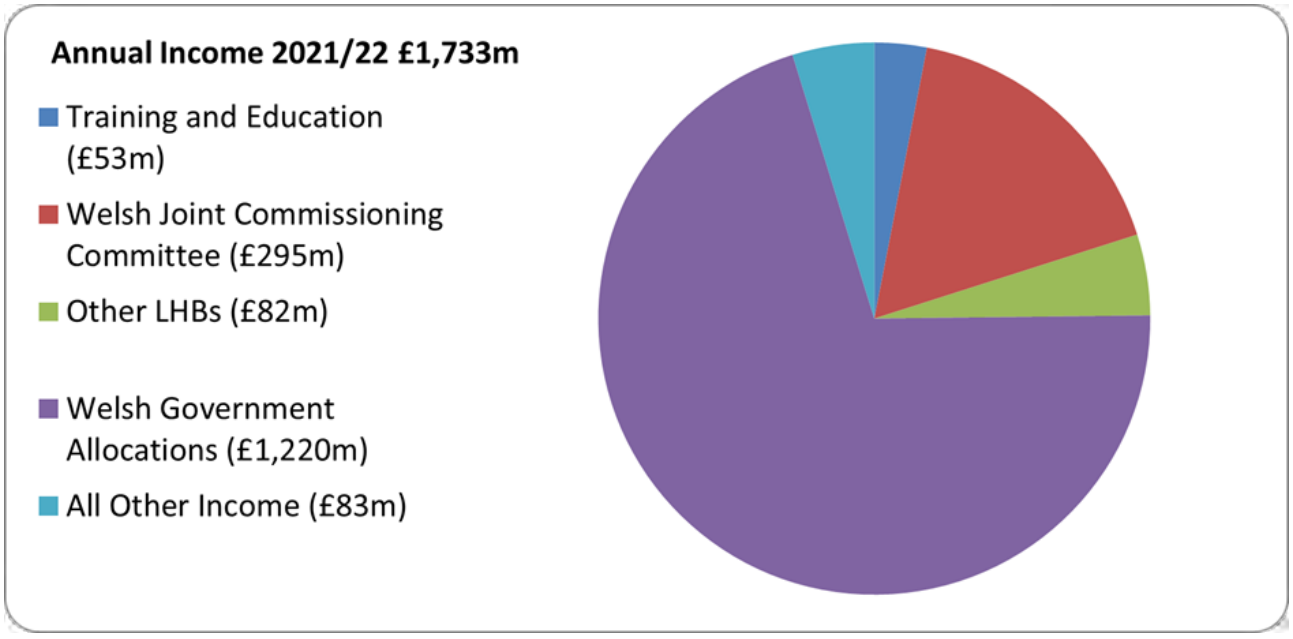
2023/24



2022/23



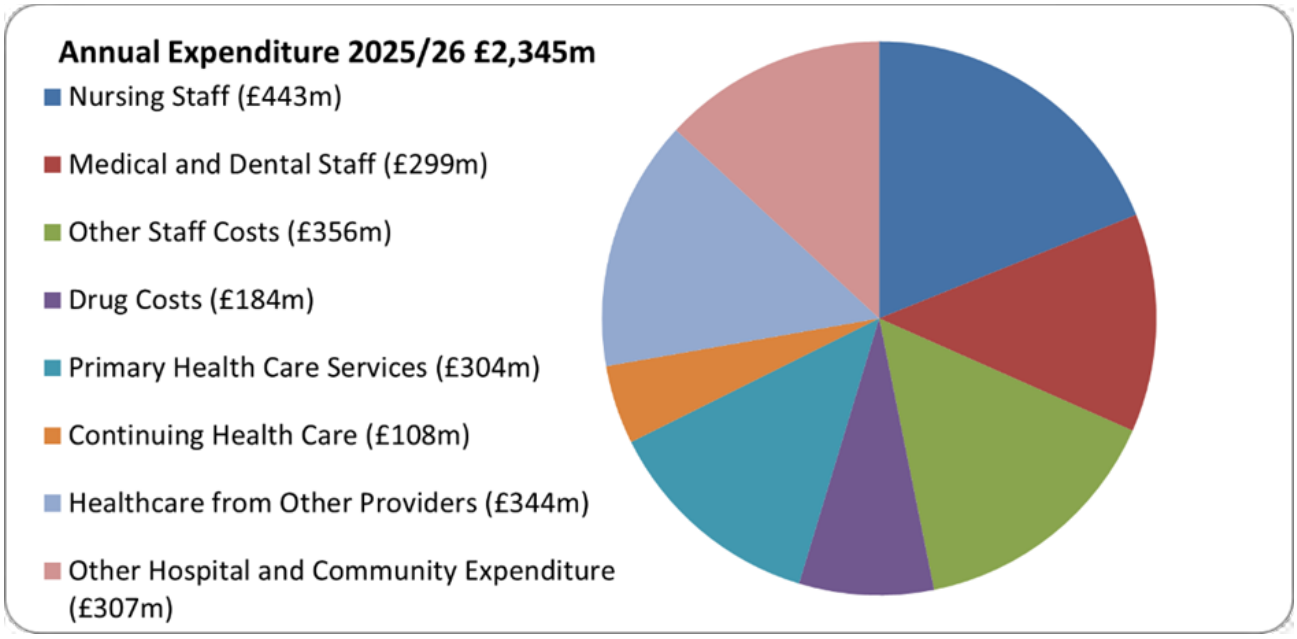
2021/22



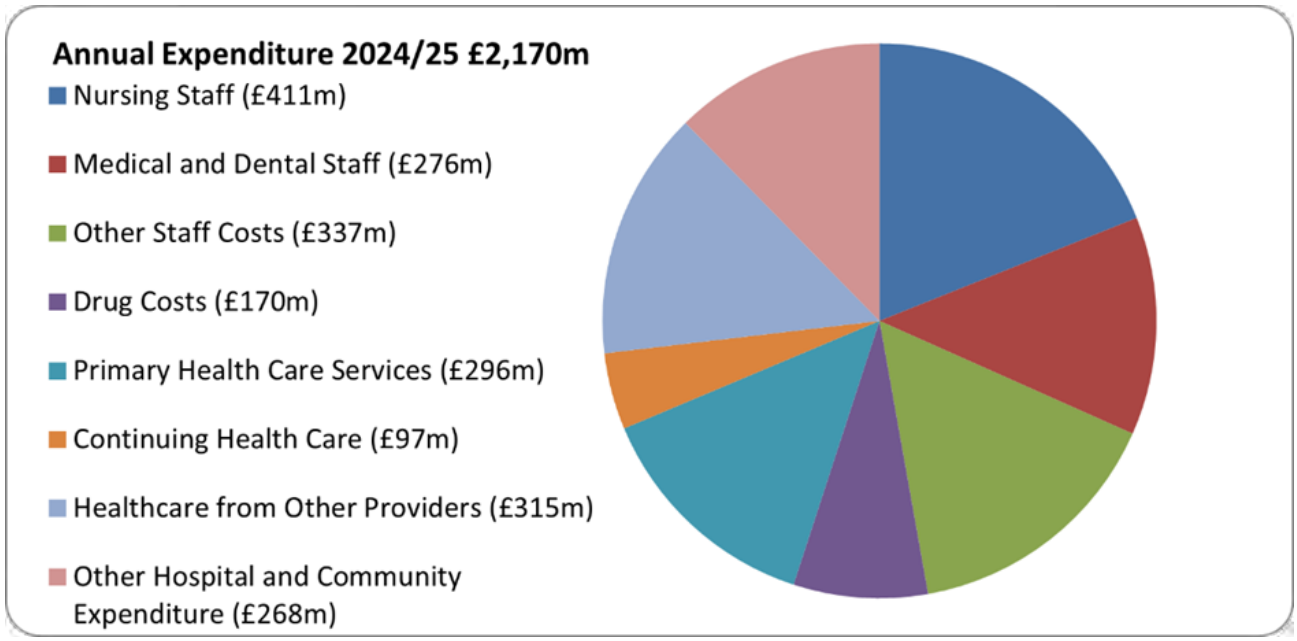
As disclosed in the performance against break even duty table above, CAVUHB is permitted to remove certain elements of expenditure (which it incurs but over which it doesn't have managerial control) when comparing its expenditure to its annual revenue resource limit. For the purposes of a meaningful comparison of income & cost, this has been treated as notional income in the above. Hence the expenditure figures shown below are shown gross (with no expenditure removed).

How the UHB has utilised its Revenue Funding

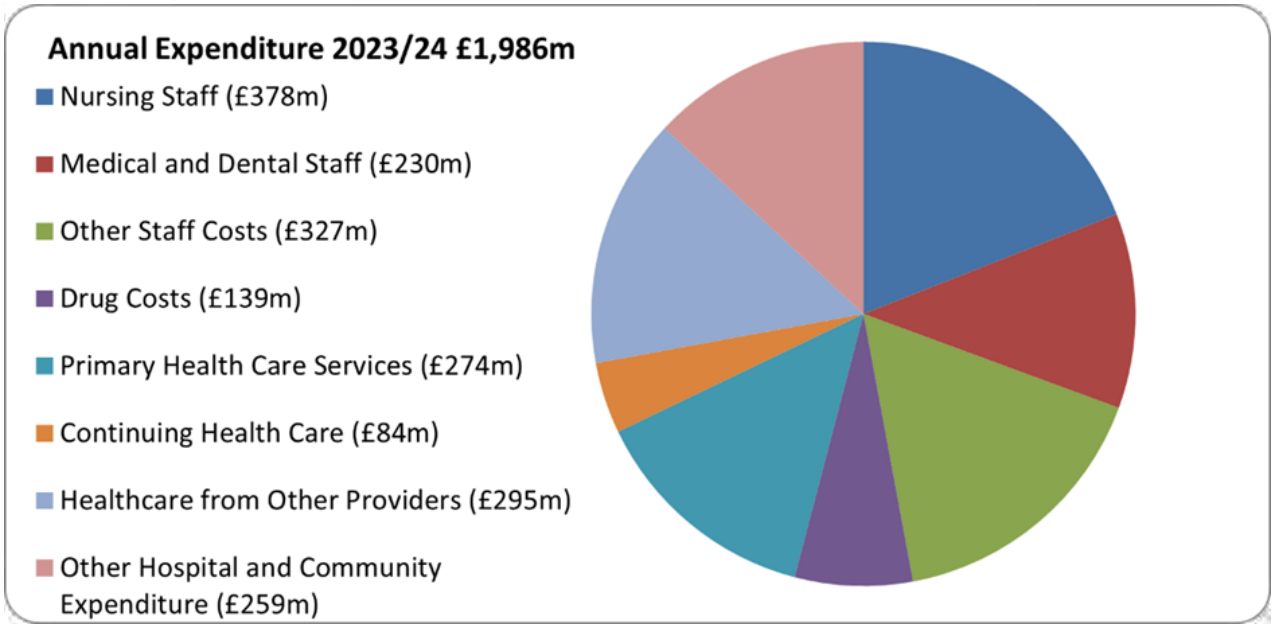
2025-26



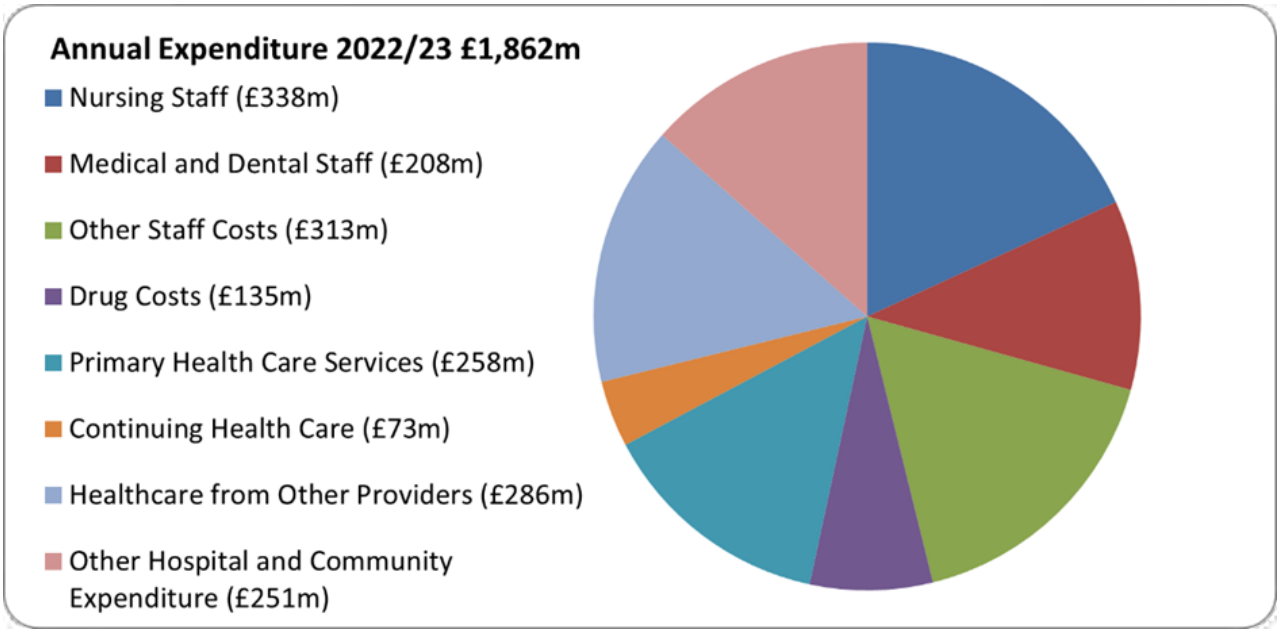
2024/25



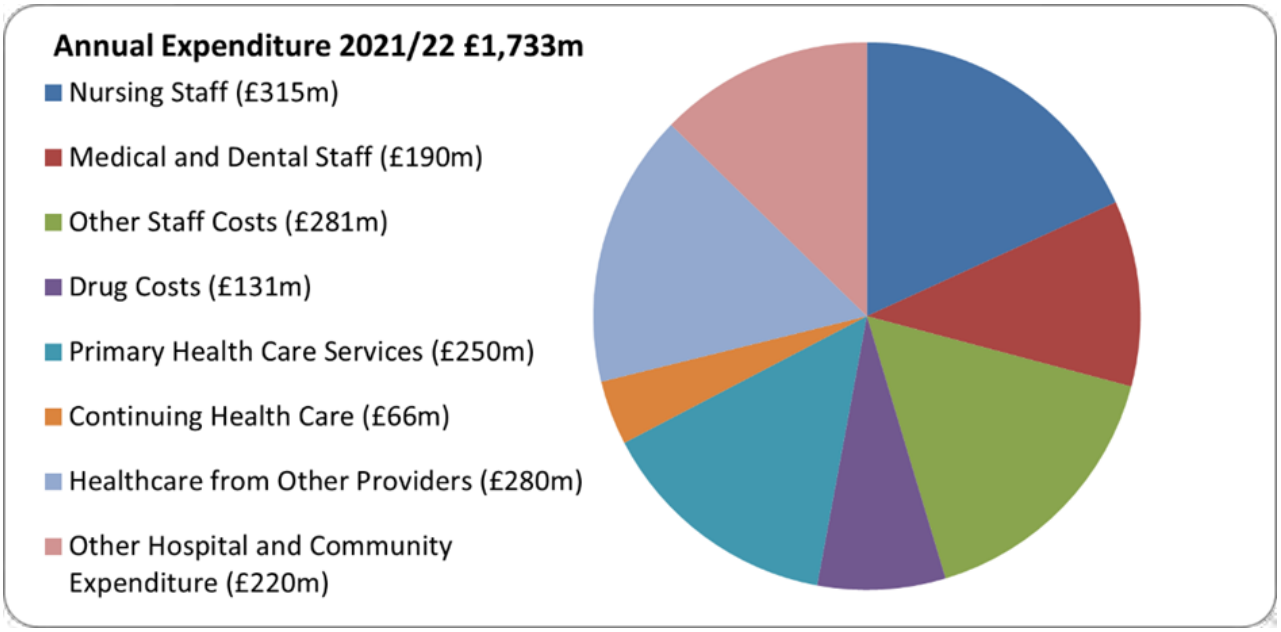
2023/24



2022/23



2021/22



17.3 Fees and Charges

CAVUHB levies charges or fees on its patients in a number of areas. Where the Health Board makes such charges or fees, it does so in accordance with relevant Welsh Health Circulars and charging guidance.

Charges are generally made on a full cost basis. None of the items for which charges are made are by themselves material to CAVUHB, however details of some of the larger items (Dental Fees, Private and Overseas Patient income) are disclosed within Note 4 of the Annual Accounts.

17.4 Managing Public Money

This is the required Statement for Public Sector Information Holders as referenced at Section 8.4 (page 78) of the Directors' Report. In line with other Welsh NHS bodies, the UHB has developed Standing Financial Instructions which enforce the principles outlined in HM Treasury on Managing Public Money. As a result, the UHB should have complied with the cost allocation and charging requirements of this guidance and the UHB has not been made aware of any instances where this has not been done.

17.5 Material remote contingent liabilities

As disclosed in note 21.2 of its annual accounts, CAVUHB had net remote contingent liabilities as at March 31st 2026 of £0.013m. This relates to Clinical Negligence & Personal Injury claims against the Health Board, where our legal advisors inform us that the claimants' chance of success is remote.

17.6 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 Cardiff & Vale University Health Board for the year ended 31 March 2026 under Section 61 of the Public Audit (Wales) Act 2004.

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

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

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

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

Opinion on regularity

In my opinion, except for the 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 the Cardiff & Vale University Health Board's financial statements because the HB has breached its resource limit by spending £100.133 million over the amount that it was authorised to spend in the three-year period 2022-2023 to 2025-2026. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page 138

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 Cardiff & Vale University Health Board is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Minsters' directions; and;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

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

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

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

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities set out on page 77, the Directors and the Chief Executive are responsible for:

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

My procedures included the following:

- Enquiring of management, the head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Cardiff & Vale University Health Board's 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: capital expenditure recognition and the posting of unusual journals;
  - Obtaining an understanding of Cardiff & Vale University Health Board's framework of authority as well as other legal and regulatory frameworks that the Health Board operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cardiff & Vale University Health Board;
  - Obtaining an understanding of related party relationships.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, those charged with governance and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- 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; and

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 Health Board's controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor's responsibilities

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

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

Report

Please see my substantive report on pages 134 to 137.

Adrian Crompton
Auditor General for Wales
12 July 2024
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

17.7 Report of the Auditor General in the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Cardiff & Vale University Health Board's (the HB's) financial statements. I am reporting on these financial statements for the year ended 31 March 2026 to draw attention to 2 key matters for my audit. These are the failure against the first financial duty and consequential qualification of my 'regularity' opinion and the failure of the second financial duty. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial Duties

Local Health Boards (HBs) are required to meet two statutory financial duties – known as the first and second financial duties. For 2025-26, the HB failed to meet both the first and the second financial duty.

Failure of the first financial duty

The first financial duty gives additional flexibility to HBs 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 2025-2026.

As shown in Note 2.1 to the Financial Statements, the HB did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £4,447.6 million by £100.1 million.

Where a HB 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.

Failure of the second financial duty

The second financial duty requires HBs 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 HB will be deemed to have met this duty for 2025-26 if it submitted a 2025-26 to 2028-29 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 HB did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2025-26 – 2028-29.

Adrian Crompton
Auditor General for Wales
26 June 2026

Part 3
Audited Financial Statement (Annual Accounts

CARDIFF AND VALE UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

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

Statutory background

The Local Health Board was established on 1 October 2009, following the merger of Cardiff & Vale NHS Trust, Cardiff Local Health Board and the Vale of Glamorgan Local Heath Board. The main purpose of the body being, the provision of healthcare to and the procurement of healthcare for the populations of Cardiff and the Vale of Glamorgan. In addition as a Tertiary Centre the UHB serves the wider population across Wales (and the UK) via the provision of specialist and complex services.

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2024-25. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

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

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

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

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

	Note	2025-26 £000	2024-25 £000
Expenditure on Primary Healthcare Services	3.1	**303,703**	295,545
Expenditure on healthcare from other providers	3.2	**452,393**	411,868
Expenditure on Hospital and Community Health Services	3.3	**1,587,312**	1,460,721
		2,343,408	2,168,134
Less: Miscellaneous Income	4	**(677,975)**	(632,900)
LHB net operating costs before interest and other gains and losses		**1,665,433**	1,535,234
Investment Revenue	5	**0**	0
Other (Gains) / Losses	6	**114**	99
Finance costs	7	**1,479**	1,431
Net operating costs for the financial year		**1,667,026**	**1,536,764**

Details of the Health Board's performance against its revenue and capital allocations over the last three financial periods are provided in Note 2 on page 166.

The notes on pages 146 - 217 form part of these accounts.

Other Comprehensive Net Expenditure

	2025-26 £000	2024-25 £000
Net (gain) / loss on revaluation of property, plant and equipment	**(71,277)**	(6,579)
Net (gain)/loss on revaluation of right of use assets	**0**	0
Net (gain) / loss on revaluation of intangible assets	**0**	0
Net (gain) loss on revaluation of financial assets	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	0
Net (gain)/loss on revaluation of financial assets held for sale	**0**	0
Impairment and reversals	**0**	0
(Gain)/Loss on other reserve movements	**0**	0
Transfers between reserves	**0**	0
Release of reserves to SoCNE	**0**	0
Transfers (to) / from other NHS Wales bodies	**160**	0
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Other comprehensive net expenditure for the year	**(71,117)**	(6,579)
Total comprehensive net expenditure for the year	**1,595,909**	1,530,185

The notes on pages 146 - 217 form part of these accounts.

Statement of Financial Position as at 31 March 2026

	Notes	31 March 2026 £000	31 March 2025 £000
Non-current assets			
Property, plant and equipment	11	**929,477**	857,473
Right of Use Assets	11.3	**23,172**	22,169
Intangible assets	12	**1,480**	1,575
Trade and other receivables	15	**52,831**	135,977
Other financial assets	16	**0**	0
Total non-current assets		**1,006,960**	1,017,194
Current assets			
Inventories	14	**19,185**	20,394
Trade and other receivables	15	**264,874**	161,846
Other financial assets	16	**0**	0
Cash and cash equivalents	17	**1,653**	1,624
		285,712	183,864
Non-current assets classified as "Held for Sale"	11	**77**	77
Total current assets		**285,789**	183,941
Total assets		**1,292,749**	1,201,135
Current liabilities			
Trade and other payables	18	**(266,792)**	(238,791)
Other financial liabilities	19	**0**	0
Provisions	20	**(190,213)**	(93,820)
Total current liabilities		**(457,005)**	(332,611)
Net current assets/ (liabilities)		**(171,216)**	(148,670)
Non-current liabilities			
Trade and other payables	18	**(22,165)**	(21,889)
Other financial liabilities	19	**0**	0
Provisions	20	**(52,957)**	(128,264)
Total non-current liabilities		**(75,122)**	(150,153)
Total assets employed		**760,622**	718,371
Financed by :			
Taxpayers' equity			
General Fund		**594,269**	592,173
Revaluation reserve		**166,353**	126,198
Total taxpayers' equity		**760,622**	718,371

The financial statements on pages 141 to 145 were approved by the Board on 23 June 2026 and signed on its behalf by:

Chief Executive and Accountable Officer ..... Date: 23 June 2026

The notes on pages 146 - 217 form part of these accounts.

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

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2025-26			
Balance as at 31 March 2025	592,173	126,198	**718,371**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Impact of IFRS 16 on PPP/PFI Liability	0	0	**0**
Balance at 1 April 2025	592,173	126,198	**718,371**
Net operating cost for the year	(1,667,026)		**(1,667,026)**
Net gain/(loss) on revaluation of property, plant and equipment	0	71,277	**71,277**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale	0	0	**0**
Net gain/(loss) on revaluation of financial assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Net gain/(loss) on other reserve movements	0	0	**0**
Transfers between reserves	31,122	(31,122)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers (to) / from other NHS Wales bodies	(160)	0	**(160)**
Reclassification adjustment on disposal of available for sale financial assets	0	0	**0**
Total recognised income and expense for 2025-26	(1,636,064)	40,155	**(1,595,909)**
Net Welsh Government funding	1,571,956		**1,571,956**
Notional Welsh Government Funding	66,204		**66,204**
Balance at 31 March 2026	594,269	166,353	**760,622**

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 2025-26. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £66.157m
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.047m

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The notes on pages 146 - 217 form part of these accounts.

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

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2024-25			
Balance at 31 March 2024	565,473	137,097	**702,570**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Impact of IFRS 16 on PPP/PFI Liability	0	0	**0**
Balance at 1 April 2024	565,473	137,097	**702,570**
Net operating cost for the year	(1,536,764)		**(1,536,764)**
Net gain/(loss) on revaluation of property, plant and equipment	0	6,579	**6,579**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale	0	0	**0**
Net gain/(loss) on revaluation of financial assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Net gain/(loss) on other reserve movements	0	0	**0**
Transfers between reserves	17,478	(17,478)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers (to) / from other NHS Wales bodies	0	0	**0**
Reclassification adjustment on disposal of available for sale financial assets	0	0	**0**
Total recognised income and expense for 2024-25	(1,519,286)	(10,899)	**(1,530,185)**
Net Welsh Government funding	1,483,577		**1,483,577**
Notional Welsh Government Funding	62,409		**62,409**
Balance at 31 March 2025	592,173	126,198	**718,371**

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 a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:
Notional 9.4% staff employer pension £62.350m
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.059m

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The notes on pages 146 - 217 form part of these accounts.

Statement of Cash Flows for year ended 31 March 2026

	Notes	2025-26 £000	2024-25 £000
Cash Flows from operating activities			
Net operating cost for the financial year		**(1,667,026)**	(1,536,764)
Movements in Working Capital	27	**4,075**	58,248
Other cash flow adjustments	28	**175,826**	86,074
Provisions utilised	20	**(25,256)**	(27,457)
Net cash outflow from operating activities		**(1,512,381)**	(1,419,899)
Cash Flows from investing activities			
Purchase of property, plant and equipment		**(55,066)**	(67,203)
Proceeds from disposal of property, plant and equipment		**25**	107
Purchase of intangible assets		**(33)**	(383)
Proceeds from disposal of intangible assets		**0**	0
Payment for other financial assets		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Payment for other assets		**0**	0
Proceeds from disposal of other assets		**0**	0
Net cash inflow/(outflow) from investing activities		**(55,074)**	(67,479)
Net cash inflow/(outflow) before financing		**(1,567,455)**	(1,487,378)
Cash Flows from financing activities			
Welsh Government funding (including capital)		**1,571,956**	1,483,577
Capital receipts surrendered		**0**	0
Capital grants received		**0**	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		**(729)**	(614)
Capital element of payments in respect of on-SoFP PFI		**0**	0
Capital element of payments in respect of Right of Use Assets		**(3,743)**	(4,541)
Cash transferred (to)/ from other NHS bodies		**0**	7,800
Net financing		**1,567,484**	1,486,222
Net increase/(decrease) in cash and cash equivalents		**29**	(1,156)
Cash and cash equivalents (and bank overdrafts) at 1 April 2025		**1,624**	2,780
Cash and cash equivalents (and bank overdrafts) at 31 March 2026		**1,653**	1,624

The notes on pages 146 - 217 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2025-26 Manual for Accounts. The accounting policies contained in that manual follow the 2025-26 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred. Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is 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 2025-26. From 1st April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has 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

Subsequent expenditure that enhances an asset beyond its original specification is capitalised as directly attributable cost. Expenditure that restores an asset to its original specification is also capitalised; where identifiable, the carrying value of the component replaced is written out and charged to the Statement of Comprehensive Net Expenditure (SoCNE).

In line with national protocol set out in the capital accounting chapter of the Manual for Accounts (agreed with Audit Wales and the Welsh Government), and to mitigate limitations in identifying replaced components, NHS Wales organisations obtain valuation evidence to ensure asset carrying values are not materially overstated. This includes in-year good housekeeping revaluations (prior to being brought into use) for All Wales Capital Schemes and for Discretionary Building Schemes with spend greater than £0.5m. Any write-downs arising are charged to operating expenses.

In 2025-26, the valuation approach was updated to include a District Valuer (DV) desktop review for material schemes that include replacement or backlog maintenance but do not meet the criteria for a good housekeeping valuation (generally schemes costing over £500k and linked to a specific block or blocks). The DV desktop review classifies schemes as enhancing or non-enhancing. Non-enhancing schemes are impaired on transfer from assets under construction (AUC) to the relevant property, plant and equipment category; 2025-26 is a catch-up year for non-enhancing schemes completed since the last quinquennial revaluation on 1 April 2022.

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 Cardiff and Vale University 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 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the LHB must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the LHB.

1.11.2 Cardiff and Vale University 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 2024-25 and 2025-26. The WRPS is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1st April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, 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 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 Cardiff and Vale University Local Health Board / Cardiff and Vale of Glamorgan Local Authorities. Payments for services provided are accounted for as miscellaneous income. The UHB 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.

The Health Board has entered into a pooled budget arrangement with Cardiff and Vale of Glamorgan Local Authorities, as permissible under section 33 of the NHS (Wales) Act 2006 for the operation of a Joint Equipment Store (JES). The purpose of the JES is the provision and delivery of common equipment and consumables to patients who are resident in the localities of the partners to the pooled budget. The pooled budget arrangement became operational from 1st January 2012.

During 25-26 the UHB received funding from the Health and Social Care Regional Integration Fund (the RIF). The RIF is a 5 year fund to deliver a programme of change from April 2022 to March 2027. The RIF builds on the learning and progress made under the previous Integrated Care Fund (ICF) and Transformation Fund (TF) and seeks to create sustainable system change through the integration of health and social care services.

As required under Part 9 of the Social Services and Well-being Act 2014, a pooled budget arrangement has been agreed between the UHB and the Cardiff and Vale Local Authorities. This came into effect from April 1st 2018. Details of the operational and accounting arrangements in place around each of the above can be found in Note 32 of these accounts.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1st April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

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;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision *
		Contingent Liability for all other estimated expenditure
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

** Personal injury cases - Defence fee costs are provided for at 100%.*

** An analysis of historical information covering a three year period is used to calculate the Clinical Negligence & Personal Injury defence costs provision in respect of Possible cases.*

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.

1.24.3. Other Critical Estimates & Major Judgements

i) The UHB provides for potential bad debts both as a result of specific disputes and based on historic collectability patterns. As a result of this, the UHB is carrying a bad debt provision of £9.036m re non-NHS organisations and a credit note provision of £2.834m in respect of NHS debts. While this provision is considered prudent and accurate as at the statement of financial position date, due to the ongoing trading relationships it covers, potentially there could be gains and losses resulting from the ultimate recoverability in respect of amounts provided for.

ii) Annual Leave Accrual
In line with IAS 19 the UHB has reviewed the level of annual leave taken by its staff to March 31st 2026. Based on a sample the UHB has accrued £6.065m re untaken annual leave. This is based on a sample of the leave records of 87% of all UHB staff and represents an increase of £0.040m in year.

The UHB has a policy of only allowing annual leave to be carried forward into future years under exceptional circumstances or when this has been necessary to help the UHB achieve service performance targets.

The provision reflects increased staff numbers and the various wage awards received during 2025/26.

iii) During 2009-10 the LHB counted inventory (excluding drugs which were already being counted) held on wards for the first time as part of its year end inventory figure. From a practical perspective it would be extremely difficult for the LHB to physically count all such areas immediately prior to March 31st, hence an extrapolation method was agreed.

As a result, on a three yearly rolling basis the stock in 29 different wards has now been counted. This represents 717 beds out of a possible 1,897 across the LHB. In this way a figure of £0.756m has been calculated for ward stock and has been included within the inventory balance shown in note 14.1 of the accounts.

iv) As in other years due to the relatively short timescale available to prepare the annual accounts, the primary care expenditure disclosed contains a number of significant estimates where the value of actual liabilities was not available prior to the date of the accounts submission.

The most material areas being:
> GMS Enhanced Services **£1.598m**
> GMS Schemes & Frameworks **£1.961m**
> Prescribing **£17.015m**
> Pharmacy **£4.550m**
> General Dental Service recoveries (**£0.317m)**

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.

Only on-balance sheet schemes that have an imputed lease component of the unitary payment which is index-linked will be impacted by this change. Where this is the case, entities will have previously been incurring contingent rent. For some PFI schemes, only the services and any other non-lease components are index-linked and no contingent rent has historically arisen. These schemes will not be impacted by this change.

Cardiff and Vale University Health Board currently hold one PFI arrangement on Balance Sheet - St Davids Hospital (note 25). The PFI contract does not contain capital payments linked to a price index (contract specific rate stated). Only elements relating to facilities management /testable services are RPI indexed and therefore the PFI is not impacted by the 1st April 2023 additional IFRS16 principles and annual remeasurement of the lease liability is not required.

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.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.
Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts - Not UK endorsed. Applies to first time adopters of IFRS after 1st January 2016. Therefore not applicable.

IFRS 18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1st January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - Application required for accounting periods beginning on or after 1st January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2025-26 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the LHB has established that as it is the corporate trustee of the Cardiff and Vale University LHB NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Cardiff and Vale 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 Cardiff and Vale 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 Cardiff and Vale 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.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1st April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1st April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years;
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2023-24	**2024-25**	**2025-26**	**Total**
	£000	**£000**	**£000**	**£000**
Net operating costs for the year	1,388,556	1,536,764	1,667,026	**4,592,346**
Less general ophthalmic services expenditure and other non-cash limited expenditure	(13,794)	(13,833)	(16,370)	**(43,997)**
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(222)	(222)	(222)	**(666)**
Less any non funded revenue consequences of IFRS 16	0	0	0	**0**
Total operating expenses	1,374,540	1,522,709	1,650,434	**4,547,683**
Revenue Resource Allocation	1,358,136	1,495,082	1,594,332	**4,447,550**
Under /(over) spend against Allocation	**(16,404)**	**(27,627)**	**(56,102)**	**(100,133)**

Cardiff and Vale University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2023-24 to 2025-26.

The Health Board received £23.0m revenue cash-only support from Welsh Government during 2025-26 with the accumulated cash-only support for the three year period 2023-2026 as at 31st March 2026 being £60.060m. This support has been provided by Welsh Government to assist the Health Board with making payments to staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

	2023-24	**2024-25**	**2025-26**	**Total**
	£000	**£000**	**£000**	**£000**
Gross capital expenditure	46,218	68,197	66,932	**181,347**
Add: Losses on disposal of donated assets	4	0	0	**4**
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(114)	(206)	(244)	**(564)**
Adjustment for transfers (to)/from NHS Trusts	0	(7,799)	0	**(7,799)**
Less capital grants received	0	0	0	**0**
Less donations received	(577)	(572)	(1,128)	**(2,277)**
Less IFRS16 Peppercorn income	0	(712)	0	**(712)**
Less **initial recognition** of RoU Asset Dilapidations	0	0	(599)	**(599)**
Charge against Capital Resource Allocation	45,531	58,908	64,961	**169,400**
Capital Resource Allocation	45,603	59,156	65,250	**170,009**
(Over) / Underspend against Capital Resource Allocation	**72**	**248**	**289**	**609**

Cardiff and Vale University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2023-24 to 2025-26.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2025-2028 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

Cardiff and Vale LHB submitted an Integrated Medium Term Plan for the period 2022-2025 in accordance with NHS Wales Planning Framework, however this was not approved due to the Plan being unable to deliver a balanced financial position.

Until a balanced three year Integrated Medium Term Plan can be submitted, Welsh Government places a requirement on the Cardiff and Vale LHB to submit a One Year Operational Plan.

Cardiff and Vale LHB therefore did not submit an Integrated Medium Term Plan for the period 2025-2028.

In the absence of an approved Integrated Medium Term Plan, the LHB submitted a one year Operational Plan in respect of the 2025-26 financial year.

The UHB submitted a draft plan to Welsh Government at the end of March 2025 based on a planned deficit of £58.2m. Following submission, Welsh Government requested further actions to reduce the forecast deficit, and the UHB subsequently confirmed that progress in identifying savings provided sufficient assurance to increase planned savings by £2m, reducing the forecast 2025/26 deficit to £56.2m.

As the plan continues to project an in-year deficit, it does not meet the UHB's statutory requirement to deliver a balanced three-year rolling financial plan and therefore cannot receive Ministerial approval.

The Minister for Health and Social Services extant approval

Status	Not Approved
Date	n/a

Cardiff and Vale University LHB has not therefore met its statutory duty to have an approved financial plan.

2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2025-26	2024-25
Total number of non-NHS bills paid	**290,408**	280,190
Total number of non-NHS bills paid within target	**279,886**	271,808
Percentage of non-NHS bills paid within target	96.4%	97.0%

The LHB has met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2025-26 Total £000	2024-25 Total £000
General Medical Services	95,759		95,759	95,736
Pharmaceutical Services	26,197	8,424	34,621	31,743
General Dental Services	40,053		40,053	38,436
General Ophthalmic Services	6,202	7,946	14,148	12,743
Other Primary Health Care expenditure	19,129		19,129	20,538
Prescribed drugs and appliances	99,993		99,993	96,349
Total	**287,333**	**16,370**	**303,703**	295,545

Return of excess funds from primary care contractors are included in the figures above

Included within other notes to the accounts			
Additional Primary Care Expenditure	Positive	0	0
Additional Primary Care Income	Negative	(11,040)	(7,933)
Overall total		**292,663**	287,612

There is no additional primary care expenditure included within other notes to the accounts.
Additional primary care income represents income that is included within Note 4 to the accounts.

The total expenditure above includes £22.309m in respect of staff costs (£23.064m 2024-25)

3.2 Expenditure on healthcare from other providers

	2025-26 £000	2024-25 £000
Goods and services from other NHS Wales Health Boards	**27,358**	25,792
Goods and services from other NHS Wales Trusts	**49,320**	45,360
Goods and services from Welsh Special Health Authorities	**0**	28
Goods and services from other non Welsh NHS bodies	**1,663**	971
Goods and services from NHSW JCC	**199,680**	187,170
Local Authorities	**15,677**	16,766
Voluntary organisations	**10,219**	8,918
NHS Funded Nursing Care	**12,929**	11,893
Continuing Care	**108,328**	97,006
Private providers	**27,219**	17,964
Specific projects funded by the Welsh Government	**0**	0
Other	**0**	0
Total	**452,393**	411,868

Expenditure with Local Authorities includes Health and Social Care Regional Integration Funding which is received from Welsh Government for specific projects.

3.3 Expenditure on Hospital and Community Health Services

	2025-26	2024-25
	£000	£000
Directors' costs	2,661	2,703
Operational Staff costs	1,026,859	954,396
Single lead employer Staff Trainee Cost	69,548	67,259
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	324,724	299,778
Supplies and services - general	15,970	14,185
Consultancy Services	2,524	1,443
Establishment	15,067	14,800
Transport	2,539	3,155
Premises	52,908	53,154
External Contractors	0	0
Depreciation	43,934	42,206
Depreciation Right of Use assets (RoU)	4,969	5,041
Amortisation	822	865
Fixed asset impairments and reversals (Property, plant & equipment)	15,168	(3,754)
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	466	443
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	6,639	2,441
Research and Development	0	0
Expense related to short-term leases	765	1,062
Expense related to low-value asset leases (excluding short-term leases)	78	77
Other operating expenses	1,671	1,467
Total	1,587,312	1,460,721

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

Increase/(decrease) in provision for future payments:	2025-26 £000	2024-25 £000
Clinical negligence;		
Secondary care	45,582	(20,168)
Primary care	(22)	193
Redress Secondary Care	362	258
Redress Primary Care	0	0
Personal injury	(286)	397
All other losses and special payments	4,043	135
Defence legal fees and other administrative costs	2,179	1,213
Gross increase/(decrease) in provision for future payments	51,858	(17,972)
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	(100)	302
Less: income received/due from Welsh Risk Pool	(45,119)	20,111
Total	6,639	2,441

	2025-26	2024-25
	£	£
Permanent injury included within personal injury £:	(14,391)	10,022

4. Miscellaneous Income

	2025-26 £000	2024-25 £000
Local Health Boards	105,558	101,614
NHSW Joint Commissioning Committee	408,961	383,112
NHS Wales trusts	12,758	8,762
Welsh Special Health Authorities	1,800	1,218
Foundation Trusts	0	0
Other NHS England bodies	11,439	11,414
Other NHS Bodies	0	0
Local authorities	9,125	11,287
Welsh Government	1,996	1,882
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	232	135
Dental fee income	4,240	4,340
Private patient income	584	1,083
Overseas patients (non-reciprocal)	539	717
Injury Costs Recovery (ICR) Scheme	2,135	2,370
Other income from activities	3,072	1,920
Patient transport services	0	0
Education, training and research	75,290	64,478
Charitable and other contributions to expenditure	2,268	2,045
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	1,128	572
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	712
Non-patient care income generation schemes	4,095	3,954
NHS Wales Shared Services Partnership (NWSSP)	111	44
Deferred income released to revenue	191	110
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	12,385	12,359
Accommodation and catering charges	4,780	4,995
Mortuary fees	591	622
Staff payments for use of cars	0	0
Business Unit	0	0
Scheme Pays Reimbursement Notional	0	0
Other	14,697	13,155
Total	**677,975**	632,900

Other income Includes;		
Non Staff SLAs with Cardiff University	5,406	5,539
Creche Fees	747	638
Compensation Payments received	0	0
Equipment Evaluation Income	385	433
NHS Non Patient Care Income	714	883
Non Patient Related Staff Recharges	495	683
Other	6,950	4,979
Total	**14,697**	13,155

Injury Cost Recovery (ICR) Scheme income

	2025-26 %	2024-25 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	65.24	65.24

Injury Costs Recovery (ICR) Scheme income is subject to a provision for impairment of **65.24%** relating to personal injury claims and 20.83**%** re Road Traffic Accident (RTA) claims to reflect expected rates of collection based on the UHB's past recoverability performance.

5. Investment Revenue

	2025-26 £000	2024-25 £000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	**0**	0

6. Other gains and losses

	2025-26 £000	2024-25 £000
Gain/(loss) on disposal of property, plant and equipment	(114)	(99)
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	0
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
Total	(114)	(99)

7. Finance costs

	2025-26 £000	2024-25 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	509	358
Interest on obligations under PFI contracts;		
main finance cost	897	988
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	4
Other interest expense	0	0
Total interest expense	**1,406**	1,350
Provisions unwinding of discount	73	81
Other finance costs	0	0
Total	**1,479**	1,431

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31st March 2026 the Health Board had 175 leases agreements in place; 175 arrangements in respect of equipment and 0 in respect of vehicles.

The periods in which the remaining agreements will expire are shown below:

	2025-26 Low Value & Short Term	2025-26 Other	2025-26 Total	2024-25 Total
Payments recognised as an expense				
	£000	**£000**	**£000**	£000
Minimum lease payments	843	0	**843**	1,139
Contingent rents	0	0	**0**	0
Sub-lease payments	0	0	**0**	0
Total	**843**	**0**	**843**	1,139

Total future minimum lease payments				
Payable	**£000**	**£000**	**£000**	£000
Not later than one year	86	0	**86**	96
Between one and five years	32	0	**32**	44
After 5 years	0	0	**0**	0
Total	**118**	**0**	**118**	140

Number of operating leases expiring	Land & Buildings	Vehicles	Equipment	Total
Not later than one year	**0**	**0**	**53**	**53**
Between one and five years	**0**	**0**	**122**	**122**
After 5 years	**0**	**0**	**0**	**0**
Total	**0**	**0**	**175**	**175**
Charged to the income statement			**843**	**843**

There are no future sublease payments expected to be received

LHB as lessor

	2025-26	2024-25
Rental revenue	**£000**	£000
Rent	0	0
Contingent rents	0	0
Total revenue rental	**0**	0

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	0	0
Between one and five years	0	0
After 5 years	0	0
Total	**0**	0

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2024-25
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	781,957	1,337	4,854	53,727	0	5,802	847,677	806,269
Social security costs	100,049	0	0	7,501	0	0	107,550	84,198
Employer contributions to NHS Pension Scheme	158,871	0	0	8,493	0	0	167,364	157,733
Other pension costs	373	0	0	0	0	0	373	271
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	976	0	0	0	0	0	976	96
Total	1,042,226	1,337	4,854	69,721	0	5,802	1,123,940	1,048,567

Charged to capital	1,895	1,358
Charged to revenue	1,122,044	1,047,209
	1,123,940	1,048,567
Net movement in accrued employee benefits (untaken staff leave)	(40)	475

The following categories of Staff are included within the 'other heading'
1) IR35 applicable staff
2) Cardiff University staff

The employer contributions to the NHS Pension Scheme disclosed above includes £62.800m Notional Disclosure of NHS Pension contributions paid by Welsh Government for the twelve month period, calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions. This expenditure is accounted for by the Health Board as notional expenditure paid to NHSBA by Welsh Government, this has been covered off by notional funding provided to the Health Board. There is therefore no impact to the UHB's Revenue Resource Perfomance as a result of the inclusion of these notional transactions.

A further £3.357m for notional expenditure in regard of NHS pension contributions is included within the SLE payroll costs. The total funding received for the 9.4% pension contributions therefore is £66.157m and further information is disclosed in Note 34.1.

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2024-25
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,641	3	3	0	0	10	2,657	2,650
Medical and dental	1,154	6	2	683	0	19	1,864	1,800
Nursing, midwifery registered	4,905	2	33	0	0	1	4,941	4,829
Professional, Scientific, and technical staff	532	1	0	0	0	0	533	490
Additional Clinical Services	2,865	0	14	0	0	0	2,879	2,908
Allied Health Professions	1,295	1	11	0	0	0	1,307	1,316
Healthcare Scientists	556	0	0	0	0	0	556	576
Estates and Ancilliary	1,188	0	3	0	0	0	1,191	1,242
Students	22	0	0	0	0	0	22	20
Total	15,158	13	66	683	0	30	15,950	15,831

9.3. Retirements due to ill-health

	2025-26	2024-25
Number	12	20
Estimated additional pension costs £	506,701	2,284,685

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. These additional pension costs have been calculated on an average basis and will be borne by the NHS Pension Scheme.

9.4 Employee benefits

The LHB does not have an employee benefit scheme.

9.5 Reporting of other compensation schemes - exit packages

9.5.1 Exit Packages Costs and Numbers

Exit packages cost band (including any special payment element)	2025-26 Number of compulsory redundancies	2025-26 Number of other departures	2025-26 Total number of exit packages	2025-26 Number of departures where special payments have been made	2024-25 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	2	9	11	0	0
£10,000 to £25,000	2	15	17	0	2
£25,000 to £50,000	0	7	7	0	0
£50,000 to £100,000	0	5	5	0	1
£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
Total	4	36	40	0	3

Exit packages cost band (including any special payment element)	2025-26 Cost of compulsory redundancies	2025-26 Cost of other departures	2025-26 Total cost of exit packages	2025-26 Cost of special element included in exit packages	2024-25 Total cost of exit packages
	£	£	£	£	£
less than £10,000	13,311	40,059	53,370	0	0
£10,000 to £25,000	32,714	235,912	268,626	0	44,674
£25,000 to £50,000	0	272,556	272,556	0	0
£50,000 to £100,000	0	381,187	381,187	0	51,288
£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
Total	46,025	929,714	975,739	0	95,962

Total Exit Costs Paid in Year	Total paid in year 2025-26 £	Total paid in year 2024-25 £
Exit costs paid in year	837,636	95,962
Total	837,636	95,962

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.

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures	2025-26 Agreements Number	2025-26 Total value of agreements £
Type of other departures		
Voluntary redundancies including early retirement contractual costs	23	784,486
Contractual payments in lieu of notice	7	53,365
Exit payments following Employment Tribunals or court orders	2	32,390
Non-contractual payments requiring Welsh Government Approval	4	24,473
Other please specify	1	35,000
Settlement of Case prior to employment tribunal		
Total	**37**	**929,714**

This disclosure provides detail for the number and value of exit packages agreed in the year.

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 9.5.1 which will be the number of individuals.

Please note that one individual received two different exit packages for one departure.

Please detail type of non-contractual severance with amounts below.

Details of the non-contractual severance amounts are as follows:

Payment in Lieu of Notice: £14,641.97
Payment in Lieu of Notice: £5,157.51
Payment in Lieu of Notice: £2,907.24
Payment in Lieu of Notice: £1,765.80

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

Although the guidance states that the ratio's should be split to show total pay and benefit and then the salary component of total pay & benefits separately the LHB does not have the relevant information available to comply with this requirement.

Total Pay and benefits			**£,000**			**£,000**
Chief Executive Total pay and benefits range			**250-255**			**240-245**
Highest paid Director Total pay and benefits range			**250-255**			**240-245**
	2025-26	**2025-26**	**2025-26**	2024-25	2024-25	2024-25
	£	**£**		£	£	
	Chief			Chief		
Total pay and benefits mid-point						
25th percentile pay ratio	**250,032**	**28,025**	**8.92**	242,161	28,822	8.40
Salary component of total pay and benefits						
25th percentile pay ratio	**250,032**	**28,025**		242,161	28,822	
	Highest Paid			Highest Paid		
Total pay and benefits mid-point						
25th percentile pay ratio	**250,032**	**28,025**	**8.92**	**242,161**	**28,822**	**8.40**
Salary component of total pay and benefits						
25th percentile pay ratio	**250,032**	**28,025**		**242,161**	**28,822**	

In 2025-26, **13** (2024-25, 13) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged **from £24,833 to £346,966** (2024-25**, £23,970 to £388,519).**

The all staff range includes directors with the exception of the highest paid CEO Director as appropriate and excludes the non-executive directors and excludes pension benefits of all employees.

Financial Year Summary

Total remuneration includes salary and non-consolidated performance-related pay. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. The guidance also suggests that this information should include benefits-in-kind, the LHB does not have the relevant information available to comply with this requirement. In addition, please note that overtime payments are included where applicable in the calculation of both elements of the relationship.

There has been an increase in year in the median remuneration of the workforce, which was as a result of consolidated pay uplifts awarded for the following staff groups: Agenda for change staff (3.6%), Medical and Dental staff (4%) and Executive Directors (3.25%).

9.6.2 Percentage Changes	**2024-25 to 2025-26**	2023-24 to 2024-25
% Change from previous financial year in respect of Chief Executive	**%**	**%**
Salary and allowances	**3**	5
Performance pay and bonuses	**0**	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	**3**	5
Performance pay and bonuses	**0**	0
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	**(1)**	6
Performance pay and bonuses	**0**	0

Guidance suggests that the ratio's should be split between total pay and benefits and the salary component of total pay and benefits. The LHB does not have the relevant information to comply with this requirement and therefore only the calculation for total pay and benefits is provided.

PENSION COSTS

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the 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 2025-26 tax year (2024-25 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2025-26	**2025-26**	2024-25	2024-25
NHS	**Number**	**£000**	Number	£000
Total bills paid	7,996	437,856	7,382	409,279
Total bills paid within target	6,579	428,596	6,587	402,149
Percentage of bills paid within target	**82.3%**	**97.9%**	89.2%	98.3%
Non-NHS				
Total bills paid	290,408	962,119	280,190	888,621
Total bills paid within target	279,886	912,041	271,808	856,160
Percentage of bills paid within target	**96.4%**	**94.8%**	97.0%	96.3%
Total				
Total bills paid	**298,404**	**1,399,975**	287,572	1,297,900
Total bills paid within target	**286,465**	**1,340,637**	278,395	1,258,309
Percentage of bills paid within target	**96.0%**	**95.8%**	96.8%	96.9%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2025-26	2024-25
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	**0**	4
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	**4**

11.1 Property, plant and equipment

2025-26

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2025	82,609	733,778	5,354	29,481	165,063	1,573	28,245	116	1,046,219
Indexation	2,530	75,248	664	0	0	0	0	0	78,442
Additions									
- purchased	484	2,950	0	34,534	15,773	242	5,017	0	59,000
- donated	0	36	0	708	356	0	28	0	1,128
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	(133)	(235)	0	0	(368)
Reclassifications	0	19,222	0	(19,222)	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	79	16,821	0	0	0	0	0	0	16,900
Impairments	0	(43,710)	(2,127)	0	0	0	0	0	(45,837)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(7,224)	0	(3,837)	0	(11,061)
At 31 March 2026	85,702	804,345	3,891	45,501	173,835	1,580	29,453	116	1,144,423
Depreciation at 1 April 2025	0	56,452	1,378	0	110,596	641	19,563	116	188,746
Indexation	0	6,994	171	0	0	0	0	0	7,165
Transfer from/into other NHS bodies	0	0	0	0	(77)	(131)	0	0	(208)
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	(12,877)	(892)	0	0	0	0	0	(13,769)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(7,084)	0	(3,838)	0	(10,922)
Provided during the year	0	25,657	516	0	14,459	203	3,099	0	43,934
At 31 March 2026	0	76,226	1,173	0	117,894	713	18,824	116	214,946
Net book value at 1 April 2025	82,609	677,326	3,976	29,481	54,467	932	8,682	0	857,473
Net book value at 31 March 2026	85,702	728,119	2,718	45,501	55,941	867	10,629	0	929,477
Net book value at 31 March 2026 comprises :									
Purchased	85,702	707,158	2,718	45,476	54,773	867	10,577	0	907,271
Donated	0	20,961	0	25	1,114	0	52	0	22,152
Government Granted	0	0	0	0	54	0	0	0	54
At 31 March 2026	85,702	728,119	2,718	45,501	55,941	867	10,629	0	929,477
Asset financing :									
Owned	85,104	705,832	1,308	45,501	55,941	867	10,629	0	905,182
On-SoFP PPP/PFI contracts	598	22,287	1,410	0	0	0	0	0	24,295
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2026	85,702	728,119	2,718	45,501	55,941	867	10,629	0	929,477

The net book value of land, buildings and dwellings at 31 March 2026 comprises :

	£000
Freehold	792,244
Long Leasehold	0
Short Leasehold	24,295
	816,539

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

Of the totals at 31st March 2026, £0 related to land valued at open market value and £0 related to buildings, installations and fittings valued at open market value.

Figures for freehold land and buildings are given gross with separate accumulated depreciation.

The UHB had to charge accelerated depreciation on the following buildings at the University Hospital of Wales (UHW) that have been earmarked for closure & demolition: (1) UHW Glamorgan House £0.037m. (2) UHW Monmouth House £0.054m

11.1 Property, plant and equipment

2024-25	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	88,287	704,708	5,259	15,982	155,986	1,442	24,183	116	995,963
Indexation	840	5,457	95	0	0	0	0	0	6,392
Additions									
- purchased	201	17,118	0	25,050	16,722	199	4,130	0	63,420
- donated	0	218	0	0	332	0	22	0	572
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	(6,860)	(1,048)	0	0	0	0	0	0	(7,908)
Reclassifications	0	11,551	0	(11,551)	0	0	0	0	0
Revaluations	192	(385)	0	0	0	0	0	0	(193)
Reversal of impairments	26	3,991	0	0	0	0	0	0	4,017
Impairments	0	(6,610)	0	0	0	0	0	0	(6,610)
Reclassified as held for sale	(77)	0	0	0	0	0	0	0	(77)
Disposals	0	(1,222)	0	0	(7,977)	(68)	(90)	0	(9,357)
At 31 March 2025	**82,609**	**733,778**	**5,354**	**29,481**	**165,063**	**1,573**	**28,245**	**116**	**1,046,219**
Depreciation at 1 April 2024	0	39,856	903	0	105,115	537	15,999	116	**162,526**
Indexation	0	717	16	0	0	0	0	0	**733**
Transfer from/into other NHS bodies	0	(108)	0	0	0	0	0	0	**(108)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	(1,113)	0	0	0	0	0	0	**(1,113)**
Reversal of impairments	0	(5,193)	0	0	0	0	0	0	**(5,193)**
Impairments	0	(1,154)	0	0	0	0	0	0	**(1,154)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	(1,222)	0	0	(7,771)	(68)	(90)	0	**(9,151)**
Provided during the year	0	24,669	459	0	13,252	172	3,654	0	**42,206**
At 31 March 2025	**0**	**56,452**	**1,378**	**0**	**110,596**	**641**	**19,563**	**116**	**188,746**
Net book value at 1 April 2024	**88,287**	**664,852**	**4,356**	**15,982**	**50,871**	**905**	**8,184**	**0**	**833,437**
Net book value at 31 March 2025	**82,609**	**677,326**	**3,976**	**29,481**	**54,467**	**932**	**8,682**	**0**	**857,473**
Net book value at 31 March 2025 comprises :									
Purchased	**82,609**	**658,363**	**3,976**	**29,456**	**53,324**	**932**	**8,635**	**0**	**837,295**
Donated	**0**	**18,963**	**0**	**25**	**1,060**	**0**	**47**	**0**	**20,095**
Government Granted	**0**	**0**	**0**	**0**	**83**	**0**	**0**	**0**	**83**
At 31 March 2025	**82,609**	**677,326**	**3,976**	**29,481**	**54,467**	**932**	**8,682**	**0**	**857,473**
Asset financing :									
Owned	**82,030**	**656,738**	**2,670**	**29,481**	**54,467**	**932**	**8,682**	**0**	**835,000**
On-SoFP MIMS Funded/ PPP contracts	**579**	**0**	**1,306**	**0**	**0**	**0**	**0**	**0**	**1,885**
On-SoFP PFI contracts	**0**	**20,588**	**0**	**0**	**0**	**0**	**0**	**0**	**20,588**
PFI residual interests	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
At 31 March 2025	**82,609**	**677,326**	**3,976**	**29,481**	**54,467**	**932**	**8,682**	**0**	**857,473**

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	741,438
Long Leasehold	20,588
Short Leasehold	1,885
	763,911

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

Of the totals at 31st March 2024, £0 related to land valued at open market value and £0 related to buildings, installations and fittings valued at open market value.

Figures for freehold land and buildings are given gross with separate accumulated depreciation.

11. Property, plant and equipment (continued)

Disclosures:

(i) Donated Assets - Of the donated additions disclosed in Note 11.1, Noah's Ark Charity funded £0.258m of equipment for the Children's Hospital and £0.708m for the upgrade of the Jungle Ward at the Children's Hospital. The UHB's Charitable Fund contributed £0.082m towards the purchase of equipment and £0.036m towards building works during the year. Other donors contributed £0.044m towards the purchase of equipment.

(ii) Valuations - the UHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The UHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

The UHB will periodically instruct the District Valuer to Carry out valuations when assets resulting from major capital schemes are first brought into use. During the year the UHB carried out 10 such revaluations, the total effect of which were:
Impairments written off via the Statement of Comprehensive Net Expenditure (SoCNE) were (£10.343m).

The significant schemes brought into use during the year were as follows:
UHW and UHL Decarbonisation schemes – these involved the installation of solar panels on the multi-storey car parks at UHW and UHL. (£4.192m) was written off the carrying value through the Statement of Comprehensive Net Expenditure (SoCNE).
UHW Wardblock C – two schemes were completed, comprising the upgrade of the lifts within the block and the refurbishment of Cardiology Ward C1. (£2.227m) was written off the carrying value through the SoCNE.
In addition, eight minor schemes were completed and (£3.924m) was written off the carrying value through the SoCNE.

During the year the UHB approved a plan to demolish a number of buildings at UHW Site. WG approval was received & the UHB has commenced works - the following buildings were therefore impaired to zero value
UHW Denbigh House - (£1.799m) was written off the carrying value via the SoCNE.
UHW Sports & Social club - (£0.844m) was written off the carrying value via the SoCNE.
UHW Carmarthen House - (£1.235m) was written off the carrying value via the SoCNE.

Value Added Tax (VAT) was recovered from HMRC in respect of 5 capital schemes revalued in prior accounting periods and a reversal of impairment of £1.158m was credited to the SoCNE.

During 2025-26 a Desktop review was undertaken by the District Valuer of schemes which had not met the criteria for a housekeeping valuation but had a significant value. The exercise reviewed schemes completed since the last Quinquennial valuation i.e. additions classified as Buildings additions from 1st April 2022 to 31st March 2025. The valuer classified the schemes as either enhancing or non-enhancing and the non-enhancing schemes were impaired and a total of (£17.847m) was written off the carrying value via the SoCNE.

(iii) Asset Lives - Land is not depreciated. The useful economic lives of UHB buildings are determined on an asset-by-asset basis by the District Valuer. These lives are reviewed annually by the UHB to confirm that they remain appropriate, and are reviewed by the District Valuer every five years. Useful economic lives for major new construction projects are set by the District Valuer when the assets are first brought into use. Minor alterations to existing structures are initially assigned a useful life of 30 years, and alterations to mechanical and engineering assets are assigned useful lives of 15 years. Equipment assets are assigned useful lives on an individual basis, based on the professional judgement and past experience of clinicians, finance staff and other UHB professionals. The appropriateness of these lives is reviewed annually.

iv) During the year the UHB has received Non Cash Allocation from the Welsh Government for impairment to assets charged to the SoCNE and this Allocation is included in our Revenue Resource Limit.

v) As per Welsh Government guidance the UHB has applied an Indexation factor to its Land and Buildings for 2025-26. For a handful of sites this has resulted in a reversal of a prior period Impairment charge and therefore £15.742m has been credited to the SoCNE.

vi) There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

vii) The UHB does not hold any property where the value is materially different from its open market value.

Viii) Transfers of Equipment within NHS Wales. On the 5th of March 2026 the UHB transferred a mobile Dental Unit to Powys Teaching Health Board. As the Health Board is inside the whole of government boundary this transaction is shown within the Transfers from/into other NHS Bodies line in Note 11.1.

ix) During 2024-25, the UHB obtained the appropriate approvals to sell a parcel of land, the land was classified as held for sale during 2024-25. The sale did not complete in 2025-26 but is expected to completed early 2026-27 and therefore the land remains classified as an asset held for sale.

x) All fully depreciated assets still in use are being carried at nil net book value.

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2025	77	0	0	0	0	**77**
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	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**
Balance carried forward 31 March 2026	77	0	0	0	0	**77**
Balance brought forward 1 April 2024	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	77	0	0	0	0	**77**
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**
Balance carried forward 31 March 2025	77	0	0	0	0	**77**

As mentioned on page 182 during 2024/25, the UHB obtained the appropriate approvals to sell a parcel of land, the land was classified as held for sale during the year.

At the time the parcel of land was classified as Held for Sale it was revalued appropriately and any adjustments for this has been included in Note 11.1 in 2024/25.

The sale did not complete in 2025/26 but is expected to complete early in 2026/27 and therefore the land remains as classified as held for sale.

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. Most are individually insignificant, however, 5 are significant in their own right:

Whitchurch GP Surgery held under buildings with a NBV of £2,721k at 31 March 2026, Unit 1 & 2 Bridge Road under Land & buildings with a NBV of £1,500k at 31 March 2026 , Canolfan Iechyd Genomig Cymru (Wales Genomic Health Centre) held under Land and Buildings with a NBV of £5,597k at 31 March 2026, a Surgical Robot held under Plant & Machinery with a NBV of £2,145k at 31 March 2026 and Ultrasound equipment held under Plant and Machinery with a NBV of £2,339k at 31 March 2026.

2025-26	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2025	**273**	**12,578**	**9,911**	**0**	**10,699**	**759**	**180**	**0**	**34,400**
Additions	0	1,228	1,917	0	2,906	26	0	0	**6,077**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	(465)	(4,389)	0	(40)	(93)	(25)	0	**(5,012)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
At 31 March 2026	**273**	**13,341**	**7,439**	**0**	**13,565**	**692**	**155**	**0**	**35,465**
Depreciation at 1 April 2025	**7**	**2,787**	**4,012**	**0**	**4,971**	**384**	**70**	**0**	**12,231**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	(465)	(4,284)	0	(40)	(93)	(25)	0	**(4,907)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
Provided during the year	2	1,337	1,903	0	1,478	193	56	0	**4,969**
At 31 March 2026	**9**	**3,659**	**1,631**	**0**	**6,409**	**484**	**101**	**0**	**12,293**
Net book value at 1 April 2025	**266**	**9,791**	**5,899**	**0**	**5,728**	**375**	**110**	**0**	**22,169**
Net book value at 31 March 2026	**264**	**9,682**	**5,808**	**0**	**7,156**	**208**	**54**	**0**	**23,172**

RoU Asset Total Value Split by Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	577	0	0	0	0	0	**577**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	138	0	51	0	0	0	0	0	**189**
Other Public Sector Market Value Leases	0	0	0	0	0	0	0	0	**0**
Private Sector Peppercorn Leases	126	0	266	0	0	0	0	0	**392**
Private Sector Market Value Leases	0	9,682	4,914	0	7,156	208	54	0	**22,014**
Total	**264**	**9,682**	**5,808**	**0**	**7,156**	**208**	**54**	**0**	**23,172**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. Most are individually insignificant, however, 5 are significant in their own right:

Whitchurch GP Surgery held under buildings with a NBV of £2,843k at 31 March 2025, Unit 1 & 2 Bridge Road under Land & buildings with a NBV of £1,898k at 31 March 2025 , Canolfan Iechyd Genomig Cymru (Wales Genomic Health Centre) held under Land and Buildings with a NBV of £6,106k at 31 March 2025, a Surgical Robot held under Plant & Machinery with a NBV of £2,503k at 31 March 2025 and Ultrasound equipment held under Plant and Machinery with a NBV of £2,832k at 31 March 2025.

The value relating to the Wales Genomic Health centre is the lease value only, works carried out to refit the building as a specialised genomic centre are included within Note 11.1.

2024-25	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	**367**	**10,205**	**13,029**	**0**	**10,541**	**563**	**156**	**0**	**34,861**
Additions	0	2,279	1,200	0	158	217	144	0	**3,998**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	(4,318)	0	0	(21)	(120)	0	**(4,459)**
Reclassifications	(94)	94	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
At 31 March 2025	**273**	**12,578**	**9,911**	**0**	**10,699**	**759**	**180**	**0**	**34,400**
Depreciation at 1 April 2024	**40**	**1,636**	**5,693**	**0**	**3,917**	**231**	**132**	**0**	**11,649**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	(4,318)	0	0	(21)	(120)	0	**(4,459)**
Reclassifications	(35)	35	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
Provided during the year	2	1,116	2,637	0	1,054	174	58	0	**5,041**
At 31 March 2025	**7**	**2,787**	**4,012**	**0**	**4,971**	**384**	**70**	**0**	**12,231**
Net book value at 1 April 2024	**327**	**8,569**	**7,336**	**0**	**6,624**	**332**	**24**	**0**	**23,212**
Net book value at 31 March 2025	**266**	**9,791**	**5,899**	**0**	**5,728**	**375**	**110**	**0**	**22,169**

RoU Asset Total Value Split by Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	644	0	0	0	0	0	**644**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	139	0	64	0	0	0	0	0	**203**
Other Public Sector Market Value Leases	0	18	0	0	0	0	0	0	**18**
Private Sector Peppercorn Leases	127	0	272	0	0	0	0	0	**399**
Private Sector Market Value Leases	0	9,773	4,919	0	5,728	375	110	0	**20,905**
Total	**266**	**9,791**	**5,899**	**0**	**5,728**	**375**	**110**	**0**	**22,169**

11.3 Right of Use Assets continued

Quantitative disclosures

Maturity analysis Contractual undiscounted cash flows relating to lease liabilities	2025-26 Land £000	2025-26 Buildings £000	2025-26 Other £000	2025-26 Total £000	2024-25 Total £000
Less than 1 year	0	2,343	1,811	4,154	3,525
2-5 years	0	5,358	5,573	10,931	8,973
> 5 years	0	6,990	740	7,730	8,245
Less finance charges allocated to future periods	0	(1,169)	(728)	(1,897)	(1,455)
Total	**0**	**13,522**	**7,396**	**20,918**	**19,288**

Lease Liabilities (net of irrecoverable VAT)	2025-26	2024-25
Current	3,686	3,194
Non-Current	17,232	16,094
Total	**20,918**	**19,288**

Amounts Recognised in Statement of Comprehensive Net Expenditure	2025-26	2024-25
Depreciation	4,969	5,041
Impairment	0	0
Variable lease payments not included in lease liabilities - Interest expense	509	358
Sub-leasing income	0	0
Expense related to short-term leases	765	1,062
Expense related to low-value asset leases (excluding short-term leases)	78	77

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)		
Interest expense	(509)	(358)
Repayments of principal on leases	(3,743)	(4,541)
Total	**(4,252)**	**(4,899)**

The organisation's right of use asset leases are varied in nature and include property, lease vehicles, photocopiers and medical equipment.
Property leases have rent review clauses built in and therefore rent costs are likely to increase.
The Health Board does not have any sale and leaseback transactions.

12. Intangible non-current assets

2025-26

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure-internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2025	7,930	0	1,104	0	500	0	9,534
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	727	0	0	0	0	0	727
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	(1,285)	0	0	0	(500)	0	(1,785)
Gross cost at 31 March 2026	7,372	0	1,104	0	0	0	8,476
Amortisation at 1 April 2025	7,084	0	375	0	500	0	7,959
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	586	0	236	0	0	0	822
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	(1,285)	0	0	0	(500)	0	(1,785)
Amortisation at 31 March 2026	6,385	0	611	0	0	0	6,996
Net book value at 1 April 2025	846	0	729	0	0	0	1,575
Net book value at 31 March 2026	987	0	493	0	0	0	1,480
NBV at 31 March 2026							
Purchased	987	0	482	0	0	0	1,469
Donated	0	0	11	0	0	0	11
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2026	987	0	493	0	0	0	1,480

12. Intangible non-current assets
2024-25

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	**8,105**	**0**	**980**	**0**	**500**	**0**	**9,585**
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	83	0	124	0	0	0	**207**
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	(258)	0	0	0	0	0	**(258)**
Gross cost at 31 March 2025	**7,930**	**0**	**1,104**	**0**	**500**	**0**	**9,534**
Amortisation at 1 April 2024	**6,685**	**0**	**167**	**0**	**500**	**0**	**7,352**
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	657	0	208	0	0	0	**865**
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	(258)	0	0	0	0	0	**(258)**
Amortisation at 31 March 2025	**7,084**	**0**	**375**	**0**	**500**	**0**	**7,959**
Net book value at 1 April 2024	**1,420**	**0**	**813**	**0**	**0**	**0**	**2,233**
Net book value at 31 March 2025	**846**	**0**	**729**	**0**	**0**	**0**	**1,575**
NBV at 31 March 2025							
Purchased	846	0	710	0	0	0	**1,556**
Donated	0	0	19	0	0	0	**19**
Government Granted	0	0	0	0	0	0	**0**
Internally generated	0	0	0	0	0	0	**0**
Total at 31 March 2025	**846**	**0**	**729**	**0**	**0**	**0**	**1,575**

Additional Disclosures re Intangible Assets

Disclosures:

(i) Donated Assets

Cardiff and Vale University LHB has not received any donated intangible assets during the year.

(ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

(iii) Asset Lives

The useful economic life of Intangible non-current assets are assigned on an individual basis based on the professional judgement and past experience of clinicians, finance staff and other LHB professionals. The appropriateness of these lives is reviewed on an annual basis.

All fully depreciated assets still in use are being carried at nil net book value.

13 . Impairments

	2025-26 Property, plant & equipment £000	2025-26 Right of Use Assets £000	2025-26 Intangible assets £000	2025-26 Held for sale assets £000	2025-26 Financial Assets £000	2025-26 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
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)	32,068	0	0	0	0	32,068
Reversal of Impairments	(16,900)	0	0	0	0	(16,900)
Total of all impairments	**15,168**	**0**	**0**	**0**	**0**	**15,168**
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	15,168	0	0	0	0	15,168
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	**15,168**	**0**	**0**	**0**	**0**	**15,168**

	2024-25 Property, plant & equipment £000	2024-25 Right of Use Assets £000	2024-25 Intangible assets £000	2024-25 Held for sale assets £000	2024-25 Financial Assets £000	2024-25 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
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)	5,456	0	0	0	0	5,456
Reversal of Impairments	(9,210)	0	0	0	0	(9,210)
Total of all impairments	(3,754)	0	0	0	0	(3,754)
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	(3,754)	0	0	0	0	(3,754)
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	(3,754)	0	0	0	0	(3,754)

The UHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The UHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

The UHB will periodically instruct the District Valuer to Carry out valuations when assets resulting from major capital schemes are first brought into use. During the year the UHB carried out 10 such revaluations, the total effect of which were:
Impairments written off via the Statement of Comprehensive Net Expenditure (SoCNE) were (£10.343m).

The significant schemes brought into use during the year were as follows:
UHW and UHL Decarbonisation schemes – these involved the installation of solar panels on the multi-storey car parks at UHW and UHL. (£4.192m) was written off the carrying value through the Statement of Comprehensive Net Expenditure (SoCNE).
UHW Wardblock C – two schemes were completed, comprising the upgrade of the lifts within the block and the refurbishment of Cardiology Ward C1. (£2.227m) was written off the carrying value through the SoCNE.
In addition, eight minor schemes were completed and (£3.924m) was written off the carrying value through the SoCNE.

During the year the UHB approved a plan to demolish a number of buildings at UHW Site. WG approval was received & the UHB has commenced works - the following buildings were therefore impaired to zero value
UHW Denbigh House - (£1.799m) was written off the carrying value via the SoCNE.
UHW Sports & Social club - (£0.844m) was written off the carrying value via the SoCNE.
UHW Carmarthen House - (£1.235m) was written off the carrying value via the SoCNE.

Value Added Tax (VAT) was recovered from HMRC in respect of 5 capital schemes revalued in prior accounting periods and a reversal of impairment of £1.158m was credited to the SoCNE.

14.1 Inventories

	31 March 2026	31 March 2025
	£000	£000
Drugs	6,453	6,992
Consumables	12,437	13,236
Energy	295	166
Work in progress	0	0
Other	0	0
Total	**19,185**	20,394
Of which held at realisable value	**0**	0

14.2 Inventories recognised in expenses

	31 March 2026	31 March 2025
	£000	£000
Inventories recognised as an expense in the period	2,627	3,133
Write-down of inventories (including losses)	(92)	(21)
Reversal of write-downs that reduced the expense	0	0
Total	**2,535**	**3,112**

15. Trade and other Receivables

Current	31 March 2026 £000	31 March 2025 £000
Welsh Government	3,102	3,533
NHSW JCC Joint Commissioning Committee	13,722	11,391
Welsh Health Boards	8,734	8,755
Welsh NHS Trusts	5,590	3,280
Welsh Special Health Authorities	1,039	687
Non - Welsh Trusts	3,631	2,600
Other NHS	158	149
2019-20 Scheme Pays - Welsh Government Reimbursement	64	103
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	203,081	105,229
NHS Wales Primary Sector FLS Reimbursement	175	376
NHS Wales Redress	532	443
Other	0	0
Local Authorities	1,629	3,114
Other receivables	20,350	21,127
Provision for irrecoverable debts	(6,476)	(7,294)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	9,543	8,353
Other accrued income	0	0
Right of Use capital receivables	0	0
Capital Receivables		
Tangibles capital receivables	0	0
Intangibles capital receivables	0	0
Other capital prepayments	0	0
Sub total	**264,874**	161,846
Non-current		
Welsh Government	0	0
NHSW JCC Joint Commissioning Committee	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	108	178
Other NHS	0	80
2019-20 Scheme Pays - Welsh Government Reimbursement	1,697	1,677
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	46,373	128,002
NHS Wales Primary Sector FLS Reimbursement	1	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	140	306
Other receivables	8,808	9,419
Provision for irrecoverable debts	(5,394)	(5,293)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	1,098	1,608
Other accrued income	0	0
Right of Use capital receivables	0	0
Capital Receivables		
Tangibles capital receivables	0	0
Intangibles capital receivables	0	0
Other capital prepayments	0	0
Sub total	**52,831**	135,977
Total	**317,705**	297,823

The great majority of trade undertaken by the Health Board is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £34.403m

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired

	31 March 2026 £000	31 March 2025 £000
By up to three months	**30,725**	29,988
By three to six months	**1,374**	1,120
By more than six months	**2,304**	2,895
	34,403	34,003

Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	**(12,587)**	(12,327)
Transfer to other NHS Wales body	**0**	0
Amount written off during the year	**603**	21
Amount recovered during the year	**0**	0
(Increase) / decrease in receivables impaired	**114**	(281)
Bad debts recovered during year	**0**	0
Balance at 31 March	**(11,870)**	(12,587)

In determining whether a debt should be impaired, consideration is given to the age of the debt, historic collectability rates and the results of actions already taken including referral to the Health Board's credit agencies.

Receivables VAT

Trade receivables	**529**	453
Other	**2,501**	2,465
Total	**3,030**	2,918

16. Other Financial Assets

	Current		Non-current	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
	£000	£000	**£000**	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans at amortised cost	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other (Specify)				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Capital Financial Assets				
Loans at amortised cost	**0**	0	**0**	0
Right of Use Asset Finance Sublease	**0**	0	**0**	0
Total	**0**	**0**	**0**	**0**

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	**2025-26**	**2024-25**
RoU Sub-leasing income	**0**	0

17. Cash and cash equivalents

	2025-26	2024-25
	£000	£000
Balance at 1 April	**1,624**	2,780
Net change in cash and cash equivalent balances	**29**	(1,156)
Balance at 31 March	**1,653**	1,624
Made up of:		
Cash held at GBS	**1,554**	1,540
Commercial banks	**0**	0
Cash in hand	**99**	84
Cash and cash equivalents as in Statement of Financial Position	**1,653**	1,624
Bank overdraft - GBS	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in Statement of Cash Flows	**1,653**	1,624

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA): (£1.630m)
Lease Liabilities (short-term and low value leases) £0.0m
PFI liabilities: (£0.729m)

The movement relates to cash, no comparative information is required by IAS 7 in 2025-26.

18. Trade and other payables

Current	31 March 2026 £000	31 March 2025 £000
Welsh Government	23	58
NHSW Joint Commissioning Committee	24	2,538
Welsh Health Boards	2,921	2,524
Welsh NHS Trusts	6,497	7,251
Welsh Special Health Authorities	2,049	289
Other NHS	27,161	22,591
Taxation and social security payable / refunds	10,777	9,617
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	10
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	11,253	9,327
Non-NHS payables - Revenue	47,541	51,828
Local Authorities	18,037	21,368
Overdraft	0	0
Rentals due under operating leases	0	0
Pensions: staff	0	0
Non NHS Accruals	79,958	65,736
Deferred Income:		
Deferred Income brought forward	2,598	2,279
Deferred Income Additions	1,373	429
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(191)	(110)
Other creditors	32,286	24,645
Payments on account	2,380	1,559
Impact of IFRS 16 on SoFP PFI contracts	0	0
Right of Use asset payables	3,686	3,194
Capital asset payables		
Tangibles - Payables	16,863	12,929
Intangibles - Payables	694	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	862	729
PFI assets – deferred credits	0	0
Capital Payments on account	0	0
Sub Total	266,792	238,791

Non-current		
Welsh Government	0	0
NHSW Joint Commissioning Committee	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
Pensions: staff	0	0
Non NHS Accruals	0	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
Impact of IFRS 16 on SoFP PFI contracts	0	0
Right of Use asset payables	17,232	16,094
Capital asset payables		
Capital Creditors - Tangibles	0	0
Capital Creditors - Intangibles	0	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	4,933	5,795
PFI assets – deferred credits	0	0
Capital Payments on account	0	0
Sub Total	22,165	21,889
Total	288,957	260,680

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

The LHB aims to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	**31 March 2026**	31 March 2025
	£000	£000
Between one and two years	**4,068**	3,063
Between two and five years	**10,868**	9,604
In five years or more	**7,229**	9,222
Sub-total	**22,165**	21,889

19. Other financial liabilities

	Current		**Non-current**	
Financial liabilities	**31 March 2026**	31 March 2025	**31 March 2026**	31 March 2025
	£000	£000	**£000**	£000
Financial Guarantees:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Derivatives at fair value through SoCNE	**0**	0	**0**	0
Other:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Total	**0**	0	**0**	0

20. Provisions

	At 1 April 2025	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2026
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	81,463	(10,161)	(5,055)	88,140	73,126	(15,993)	(31,837)	0	179,683
Primary care	175	0	0	0	61	(141)	(83)	0	12
Redress Secondary care	159	0	(28)	0	445	(203)	(83)	0	290
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	1,294	0	0	(164)	593	(516)	(559)	59	707
All other losses and special payments	1,125	0	(995)	0	5,073	(4,173)	(1,030)	0	0
Defence legal fees and other administration	1,668	0	0	542	2,151	(1,365)	(789)		2,207
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	116			99	0	(91)	(52)	15	87
2019-20 Scheme Pays - Reimbursement	103			0	0	0	(38)	0	65
Restructuring	0			0	0	0	0	0	0
Other	7,717		(215)	72	4,235	(762)	(3,885)	0	7,162
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	93,820	(10,161)	(6,293)	88,689	85,684	(23,244)	(38,356)	74	190,213
Non Current									
Clinical negligence:-									
Secondary care	120,628	0	(175)	(88,140)	18,011	(1,755)	(3,557)	0	45,012
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	2,178	0	0	164	30	0	(350)	0	2,022
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	974	0	0	(542)	827	(257)	(10)		992
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	493			(99)	0	0	0	0	394
2019-20 Scheme Pays - Reimbursement	1,678			0	19	0	0	0	1,697
Restructuring	0			0	0	0	0	0	0
Other	1,279		0	(72)	0	0	0	0	1,207
Capital provisions									
RoU Asset Dilapidations CAME	1,034		0	0	599	0	0	0	1,633
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	128,264	0	(175)	(88,689)	19,486	(2,012)	(3,917)	0	52,957
TOTAL									
Clinical negligence:-									
Secondary care	202,091	(10,161)	(5,230)	0	91,137	(17,748)	(35,394)	0	224,695
Primary care	175	0	0	0	61	(141)	(83)	0	12
Redress Secondary care	159	0	(28)	0	445	(203)	(83)	0	290
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	3,472	0	0	0	623	(516)	(909)	59	2,729
All other losses and special payments	1,125	0	(995)	0	5,073	(4,173)	(1,030)	0	0
Defence legal fees and other administration	2,642	0	0	0	2,978	(1,622)	(799)		3,199
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	609			0	0	(91)	(52)	15	481
2019-20 Scheme Pays - Reimbursement	1,781			0	19	0	(38)	0	1,762
Restructuring	0			0	0	0	0	0	0
Other	8,996		(215)	0	4,235	(762)	(3,885)	0	8,369
Capital provisions									
RoU Asset Dilapidations CAME	1,034		0	0	599	0	0	0	1,633
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	222,084	(10,161)	(6,468)	0	105,170	(25,256)	(42,273)	74	243,170

Expected timing of cash flows:

	In year to 31 March 2027	Between 1 April 2027 31 March 2031	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	179,683	45,011	0	224,694
Primary care	12	0	0	12
Redress Secondary care	290	0	0	290
Redress Primary care	0	0	0	0
Personal injury	707	696	1,326	2,729
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	2,207	993	0	3,200
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	87	329	65	481
2019-20 Scheme Pays - Reimbursement	65	270	1,427	1,762
Restructuring	0	0	0	0
Other	7,162	85	1,122	8,369
Capital provisions				
RoU Asset Dilapidations CAME	0	1,515	118	1,633
Other Capital Provisions	0	0	0	0
Total	190,213	48,899	4,058	243,170

20. Provisions (continued)

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	89,366	(20,999)	(259)	33,234	25,885	(21,377)	(24,387)	0	**81,463**
Primary care	139	0	0	0	227	(157)	(34)	0	**175**
Redress Secondary care	99	0	(36)	0	317	(162)	(59)	0	**159**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	1,053	0	18	145	684	(383)	(287)	64	**1,294**
All other losses and special payments	1,125	0	0	0	135	(135)	0	0	**1,125**
Defence legal fees and other administration	1,570	0	0	463	1,308	(1,152)	(521)		**1,668**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	126			75	18	(120)	0	17	**116**
2019-20 Scheme Pays - Reimbursement	97			0	6	0	0	0	**103**
Restructuring	0			0	0	0	0	0	**0**
Other	6,217		(206)	131	4,300	(193)	(2,532)	0	**7,717**
Capital provisions									
RoU Asset Dilapidations CAME	359		0	(111)	0	(248)	0	0	**0**
Other Capital Provisions	0		0	0	0	0	0	0	**0**
Total	**100,151**	**(20,999)**	**(483)**	**33,937**	**32,880**	**(23,927)**	**(27,820)**	**81**	**93,820**
Non Current									
Clinical negligence:-									
Secondary care	160,645	0	(2,951)	(33,234)	8,131	(3,165)	(8,798)	0	**120,628**
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	2,323	0	0	(145)	0	0	0	0	**2,178**
All other losses and special payments	0	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	1,376	0	0	(463)	477	(365)	(51)		**974**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	568			(75)	0	0	0	0	**493**
2019-20 Scheme Pays - Reimbursement	1,615			0	63	0	0	0	**1,678**
Restructuring	0			0	0	0	0	0	**0**
Other	1,401		0	(131)	18	0	(9)	0	**1,279**
Capital provisions									
RoU Asset Dilapidations CAME	0		0	111	923	0	0	0	**1,034**
Other Capital Provisions	0		0	0	0	0	0	0	**0**
Total	**167,928**	**0**	**(2,951)**	**(33,937)**	**9,612**	**(3,530)**	**(8,858)**	**0**	**128,264**
TOTAL									
Clinical negligence:-									
Secondary care	250,011	(20,999)	(3,210)	0	34,016	(24,542)	(33,185)	0	**202,091**
Primary care	139	0	0	0	227	(157)	(34)	0	**175**
Redress Secondary care	99	0	(36)	0	317	(162)	(59)	0	**159**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,376	0	18	0	684	(383)	(287)	64	**3,472**
All other losses and special payments	1,125	0	0	0	135	(135)	0	0	**1,125**
Defence legal fees and other administration	2,946	0	0	0	1,785	(1,517)	(572)		**2,642**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	694			0	18	(120)	0	17	**609**
2019-20 Scheme Pays - Reimbursement	1,712			0	69	0	0	0	**1,781**
Restructuring	0			0	0	0	0	0	**0**
Other	7,618		(206)	0	4,318	(193)	(2,541)	0	**8,996**
Capital provisions									
RoU Asset Dilapidations CAME	359		0	0	923	(248)	0	0	**1,034**
Other Capital Provisions	0		0	0	0	0	0	0	**0**
Total	**268,079**	**(20,999)**	**(3,434)**	**0**	**42,492**	**(27,457)**	**(36,678)**	**81**	**222,084**

20. Provisions … continued

The expected timing of cashflows in respect of provisions arising from clinical negligence or personal injury claims (together with the associated defence costs) are based on legal opinion obtained by the UHB. The nature of litigation however means that these could be subject to change.

Amounts due in respect of pensions are profiled based on the regime which the NHS Pensions Agency currently uses to recover payments in respect of such amounts. This could be subject to change in the future.

The UHB is able to recover amounts paid out in respect of clinical negligence or personal injury claims (subject to an excess per case of £25k) from the Welsh Risk Pool. An amount of **£250.162m** has been shown within **note 15** (Trade and Other receivables) in respect of such expected reimbursements.

Other Provisions include:
Continuing Healthcare claims £0.312m
Potential payments to staff in respect of time off in lieu £0.297m
Employment Tribunal litigation cases £1.113m
Banding pay claims £0.319
Other provisions considered commercially sensitive £6.328m

Continuing Healthcare cost uncertainties
Liabilities for continuing healthcare costs continue to be a significant financial issue for the UHB. Following various annual deadlines for the submission of new claims, effected since 31st July 2014, which increased the number of claims registered each financial year, a rolling deadline now applies which allows new claims to go back one year only.

Cardiff and Vale University Health Board is responsible for post 1st April 2003 costs and the financial statements include the following amounts relating to those uncertain continuing healthcare costs:

Note 20 sets out the **£0.312m** provision made for probable continuing care costs relating to **16** claims received;

Note 21 sets out the **£0.471m** contingent liability for possible continuing care costs relating to **16** claims received.

The UHB is providing **£0.032m** in respect of **2** Phase 9 (23/24) claims and **£0.280m** in respect of **14** Phase 10 (24/25) claims.

No claims have been completed for Phase 11 (25/26), i.e. claims received between 1st April 2025 and 31st March 2026.

Scheme Pays
In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019-20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

Welsh Government, on behalf of Cardiff & Vale UHB, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

21. Contingencies

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts :	**2025-26 £'000**	2024-25 £'000
Legal claims for alleged medical or employer negligence:-		
Secondary care	**161,331**	97,245
Primary care	**1,140**	380
Redress Secondary care	**356**	157
Redress Primary care	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**2,458**	1,684
Continuing Health Care costs	**471**	394
Other	**0**	0
Total value of disputed claims	**165,756**	99,860
Less amounts recoverable in the event of claims being successful	**(162,366)**	(96,388)
Net contingent liability	**3,390**	3,472

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them. The amounts disclosed as contingent liabilities in relation to potential clinical negligence or personal injury claims against the UHB arise where legal opinion as to the possibility of the claims success has deemed this to be possible, rather than remote, and no provision has already been made for such items within note 20. The UHB is assuming that all such costs would be reimbursed by the Welsh Risk Pool (subject to a £25k excess per claim). The net contingent liability contains **£2.271m** re clinical negligence and **£0.648m** re personal injury.

Continuing Healthcare cost uncertainties
Liabilities for continuing healthcare costs continue to be a significant financial issue for the UHB. Following various annual deadlines for the submission of new claims, effected since 31st July 2014, which increased the number of claims registered each financial year, a rolling deadline now applies which allows new claims to go back one year only.

Cardiff and Vale University Health Board is responsible for post 1st April 2003 costs and the financial statements include the following amounts relating to those uncertain continuing healthcare costs:

Note 20 sets out the **£0.312m** provision made for probable continuing care costs relating to **16** claims received;
Note 21.1 sets out the **£0.471m** contingent liability for possible continuing care costs relating to 1**6** claims received.
The UHB is providing **£0.032m** in respect of **2** Phase 9 (23/24) claims and **£0.280m** in respect of 14 Phase 10 (24/25) claims.
No claims have been completed for Phase 11 (25/26), ie. claims received between 1st April 2025 and 31st March 2026.

21.2 Remote Contingent liabilities

	2025-26 £000	2024-25 £000
Guarantees	0	0
Indemnities	13	316
Letters of Comfort	0	0
Total	**13**	**316**

The figure shown above under Indemnities relates to Clinical Negligence and Personal Injury claims against the UHB where our legal advisors informed us that the claimants chance of success is remote.

21.3 Contingent assets

	2025-26 £000	2024-25 £000
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2025-26 £000	2024-25 £000
Property, plant and equipment	6,020	19,917
Right of Use Assets	1,184	0
Intangible assets	0	0
Total	**7,204**	19,917

The in year decrease in commitments disclosed is largely due to the progress made on several major capital scheme contracts.

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2026	
	Number of cases	£
Clinical negligence:-		
Secondary Care	102	17,748,032
Primary Care	2	140,933
Redress Secondary Care	18	203,059
Redress Primary Care	0	0
Personal injury	41	516,250
All other losses and special payments	104	4,172,801
Total	267	22,781,075

23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year cases in excess of £300,000		Cumulative amount
	L&R Case reference number	£	£
Cases in excess of £300,000:			
Clinical Negligence - Secondary Care	SSPLR126191	971,481	1,090,000
Clinical Negligence - Secondary Care	SSPLR136412	500,000	9,586,789
Clinical Negligence - Secondary Care	SSPLR137385	626,677	2,251,677
Clinical Negligence - Secondary Care	SSPLR138860	374,041	374,041
Clinical Negligence - Secondary Care	SSPLR139869	741,613	800,000
Clinical Negligence - Secondary Care	SSPLR139940	434,042	434,042
Clinical Negligence - Secondary Care	SSPLR143534	559,235	559,235
Clinical Negligence - Secondary Care	SSPLR144308	1,634,686	1,634,686
Clinical Negligence - Secondary Care	SSPLR145965	474,475	774,475
Clinical Negligence - Secondary Care	SSPLR148511	3,829,566	4,329,566
Clinical Negligence - Secondary Care	SSPLR148832	362,500	362,500
Clinical Negligence - Secondary Care	SSPLR152304	335,000	720,000
Clinical Negligence - Secondary Care	SSPLR153710	1,000,000	1,400,000
Clinical Negligence - Secondary Care	SSPLR154359	445,000	445,000
Ex Gratia	Band 2&3 2025-26	3,527,516	3,527,516
	Number of cases	£	£
Sub-total	**15**	**15,815,832**	**28,289,527**
All other cases paid in year	252	6,965,243	20,969,484
Total cases paid in year	**267**	**22,781,075**	**49,259,011**

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	57	1,200,175
Cumulative amount greater than £300k	3	16,959,278
Total	**60**	**18,159,453**

24. Right of Use lease obligations

24.1 Obligations (as lessee)

Amounts payable under right of use asset leases:

2025-26

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2026	31 March 2026	31 March 2026	31 March 2026
Minimum lease payments	**£000**	**£000**	**£000**	**£000**
Within one year	0	2,343	1,811	**4,154**
Between one and five years	0	5,358	5,573	**10,931**
After five years	0	6,990	740	**7,730**
Less finance charges allocated to future periods	0	(1,169)	(728)	**(1,897)**
Minimum lease payments	**0**	**13,522**	**7,396**	**20,918**
Included in:				
Current borrowings	0	2,121	1,565	**3,686**
Non-current borrowings	0	11,401	5,831	**17,232**
	0	**13,522**	**7,396**	**20,918**
Present value of minimum lease payments				
Within one year	0	2,121	1,565	**3,686**
Between one and five years	0	4,889	5,114	**10,003**
After five years	0	6,512	717	**7,229**
Present value of minimum lease payments	**0**	**13,522**	**7,396**	**20,918**
Included in:				
Current borrowings	0	2,121	1,565	**3,686**
Non-current borrowings	0	11,401	5,831	**17,232**
	0	**13,522**	**7,396**	**20,918**

2024-25

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
Minimum lease payments	**£000**	**£000**	**£000**	**£000**
Within one year	0	2,104	1,421	3,525
Between one and five years	0	4,760	4,213	8,973
After five years	0	7,214	1,031	8,245
Less finance charges allocated to future periods	0	(914)	(541)	(1,455)
Minimum lease payments	**0**	**13,164**	**6,124**	**19,288**
Included in:				
Current borrowings	0	1,945	1,249	**3,194**
Non-current borrowings	0	11,219	4,875	**16,094**
	0	**13,164**	**6,124**	**19,288**
Present value of minimum lease payments				
Within one year	0	1,945	1,249	3,194
Between one and five years	0	4,352	3,858	8,210
After five years	0	6,867	1,017	7,884
Present value of minimum lease payments	**0**	**13,164**	**6,124**	**19,288**
Included in:				
Current borrowings	0	1,945	1,249	**3,194**
Non-current borrowings	0	11,219	4,875	**16,094**
	0	**13,164**	**6,124**	**19,288**

24.2 Right of Use Assets receivables (as lessor)

The Health Board did not hold any Right of Use Assets lease receivables, as a lessor, at the balance sheet date.

Amounts receivable under right of use assets :

	31 March 2026	31 March 2025
Gross Investment in leases	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current financial assets	**0**	0
Non-current financial assets	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current financial assets	**0**	0
Non-current financial assets	**0**	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Health Board did not have any PFI Schemes that were deemed to be off-statement of financial position at the balance sheet date.

Commitments under off-SoFP PFI contracts	**Off-SoFP PFI contracts**	Off-SoFP PFI contracts
	31 March 2026	31 March 2025
	£000	£000
Total payments due within one year	**0**	0
Total payments due between 1 and 5 years	**0**	0
Total payments due thereafter	**0**	0
Total future payments in relation to PFI contracts	**0**	0
Total estimated capital value of off-SoFP PFI contracts	**0**	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11	**£000**
	22,287
Contract start date:	**31/3/2000**
Contract end date:	**30/03/2031**

On 31st March 2000, a 31 year Private Finance Initiative (PFI) Contract was signed between the former Cardiff & Vale Trust and IMC (Impregilio/Macob consortium) for the provision of a new hospital to be built on the former St. David's site. The hospital, which opened on 1st March 2002 provides a range of services but primarily services linked to the care for older people. The estimated capital value of the scheme at the time of construction was £13.847m and the annual payments to be made for the provision of the site and for a range of facilities management services is currently £4.862m.

Total obligations for on-Statement of Financial Position PFI contracts due:

2025-26	**On SoFP PFI Capital element**	**On SoFP PFI IFRS 16 impact**	**On SoFP PFI Imputed interest**	**On SoFP PFI Service charges**
	31 March 2026	**31 March 2026**	**31 March 2026**	**31 March 2026**
	£000	**£000**	**£000**	**£000**
Total payments due within one year	**862**	**0**	**790**	**3,371**
Total payments due between 1 and 5 years	**4,933**	**0**	**1,632**	**13,529**
Total payments due thereafter	**0**	**0**	**0**	**0**
Total future payments in relation to PFI contracts	**5,795**	**0**	**2,422**	**16,900**

2024-25	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
	£000	£000	£000	£000
Total payments due within one year	729	0	897	3,270
Total payments due between 1 and 5 years	4,457	0	2,302	12,825
Total payments due thereafter	1,338	0	120	3,438
Total future payments in relation to PFI contracts	6,524	0	3,319	19,534

	31/03/2026
	£000
Total present value of obligations for on-SoFP PFI contracts	11,593

There are no on SoFP PFI which impact the finance charge for Cardiff and Vale University Health Board. The St Davids Hospital PFI contract does not contain capital payments linked to a price index (contract specific rate stated). Only elements relating to facilities management /testable services are RPI indexed and therefore the PFI is not impacted by the 1st April 2023 additional IFRS16 principles and annual remeasurement of the lease liability is not required.

25.3 Charges to expenditure	2025-26	2024-25
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	3,236	3,130
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	3,236	3,130

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	3,371	3,270
Later than one year, not later than five years	13,529	12,825
Later than five years	0	3,438
Total	16,900	19,534

The estimated annual payments in future years will vary from those which the Health Board is committed to make during the next year by the impact of movement in the Retail Prices Index. Only the services and other non-lease components are index-linked

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	1	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

25.5 Public Private Partnerships

The LHB has one Public Private Partnerships

In addition to the St David's PFI Scheme set out previously in Note 25.2, the UHB had one other Public Private Partnerships (PPP) Scheme during 2025/26 as set out below:

Llandough Hospital Staff Accommodation On 28 October 1999, the former University Hospital and Llandough NHS Trust entered into an agreement with Charter Housing for the design, construction, fit-out and subsequent operation of staff accommodation at Llandough Hospital. During 2020–21, Charter Housing transferred all assets, liabilities and contractual obligations to Pobl Homes and Communities Limited.

This contract was originally accounted for as having a 25-year term. However, during the 2024/25 contract review, it was identified that the original contractual term was actually 27 years and 3 days, not 25 years. Consequently, the associated £454k PPP creditor was fully amortised over the assumed 25-year period rather than over the full contractual term to 2027.

The underlying asset remains in existence and continues to operate under the agreed Heads of Terms until 17 August 2027, and as the financial impact of recognising the asset over the shorter period is assessed as not material and below triviality thresholds, no retrospective adjustments have been made to the statutory accounts.

25.5 The UHB had 1 Public Private Partnerships during the year (Continued)

In return for the provision of the new serviced accommodation, the Trust transferred a parcel of surplus land to Charter on which seven of its existing properties resided. These properties were subsequently demolished and the land sold off by Charter. The accommodation is located on the remaining land, which had previously housed three additional properties. This is granted to Charter under a 99 year head lease for a peppercorn rent. Charter then leases the properties back to the UHB in return for an annual unitary payment of £0.048m. The UHB then leases the property back to Charter under a 27 year sub-underlease. The value of the property transferred to Charter in 1999/2000 was £0.763m.

The scheme has been assessed as being "on-statement of financial position" under IFRIC 12 and therefore the building is currently valued at £1.410m and the land at £0.598m on the LHB's statement of financial position (note 11).

On initial recognition of the asset a deferred income creditor balance was recognised in the UHB's accounts at a value of £0.454m. In line with Department of Health Guidance this creditor was released to the SoCNE annually over the originally recognised 25 year life of the contract.

As this ended in 2024/25 the amount that has been credited to operating expenses in 2025/26 is therefore £0.0m. If this had been recognised over the full 27 year term then a charge of £6k would have been applicable.

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking it's activities. The Health Board is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The Health Board has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Health Board in undertaking its activities.

Currency risk

The Health Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. The Health Board does not have any overseas operations. The Health Board therefore has low exposure to currency rate fluctuations.

Interest rate risk

Health Boards are not permitted to borrow and the Health Board therefore has low exposure to interest rate fluctuations.

Credit risk

As the majority of the Health Board's funding derives from funds voted by the Welsh Government the Health Board has low exposure to credit risk.

Liquidity risk

The Health Board is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The Health Board is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2025-26 £000	2024-25 £000
(Increase)/decrease in inventories	1,209	(1,167)
(Increase)/decrease in trade and other receivables - non-current	83,146	46,466
(Increase)/decrease in trade and other receivables - current	(103,028)	(868)
Increase/(decrease) in trade and other payables - non-current	276	(2,170)
Increase/(decrease) in trade and other payables - current	28,001	9,189
Total	9,604	51,450
Adjustment for accrual movements in fixed assets - creditors	(3,899)	4,587
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	(1,630)	2,178
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	0	33
	4,075	58,248

28. Other cash flow adjustments

	2025-26 £000	2024-25 £000
Depreciation	48,903	47,247
Amortisation	822	865
(Gains)/Loss on Disposal	114	99
Impairments and reversals	15,168	(3,754)
Release of PFI deferred credits	0	(10)
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	(1,128)	(572)
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	(712)
Non-cash movements in right of use assets	0	0
Non-cash movements in provisions	45,743	(18,538)
Other movements	66,204	61,449
Total	175,826	86,074

Other movements of £66,204m (2024-25 £61.449m) is made up of notional funding received for:

- LHB notional 9.4% Staff Employer Pension Contributions £66.157m;
- the 2019-20 Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.047m;

Which are both funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

Subsequent to the reporting date, the LHB received confirmation from the Welsh Government of changes to remuneration rates for NHS Wales public appointees, approved prior to 31 March 2026 and effective from 1 January 2026.
The financial impact has been recognised in these financial statements.

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 23rd June 2026 and are expected to be certified by the Auditor General for Wales on 26th June 2026.

30. Related Party Transactions

The Welsh Government is regarded as a related party of the Health Board. During the year the Health Board had a significant number of material revenue and capital transactions with either the Welsh Government or with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Aneurin Bevan University Health Board	3,639	46,700	1,167	3,654
Betsi Cadwaladr University Health Board	375	1,567	86	68
Cwm Taf Morgannwg University Health Board	19,040	44,576	571	2,690
Hywel Dda University Health Board	1,059	8,662	333	802
Powys University Health Board	61	2,314	44	313
Swansea Bay University Health Board	7,708	8,431	720	1,207
NHS Wales Joint Commissioning Committee (NWJCC)	199,743	409,081	24	13,722
Public Health Wales NHS Trust	8,614	8,292	464	729
Velindre University NHS Trust	138,194	10,387	5,948	4,836
Welsh Ambulance Services NHS Trust	290	85	85	25
Health Education and Improvement Wales (HEIW)	329	35,755	49	900
Digital Health and Care Wales (DHCW)	7,836	1,768	2,000	139
Welsh Government	1	1,601,736	23	3,102
	386,889	**2,179,354**	**11,514**	**32,187**

The LHB is a member of the Welsh Risk Pool for Clinical Negligence, Personal Injury and other qualifying claims.
During 2025/26 the UHB has received settlements of £29.007m in respect of claims for reimbursements made. In addition as at 31st March the UHB had a debtor balance of £250.162m in respect of amounts due from the Welsh Risk Pool.

During the period, other than the individuals set out overleaf, there were no other material related party transactions involving other board members or key senior management staff.

There were no invoices written off for any of the related parties during Financial Period 2025/26

In additional the UHB has had significant number of material transactions with other government departments and other central and local Government bodies . The most significant of these transactions are with the following ;

	Expenditure to related party £'000	Income from related party £'000	Amounts owed to related party £'000	Amounts due from related party £'000
Vale of Glamorgan Council	12,541	2,312	7,007	503
Cardiff City Council	32,531	6,789	11,017	1,231
Total £'000s	**45,072**	**9,101**	**18,024**	**1,734**

The corporate body is a registered charity and as Corporate Trustees, the LHB Board were responsible for the management of charitable fund expenditure in the period connected with Cardiff and Vale University Health Board.

30. Related Party Transactions

Suzanne Rankin is Chief Executive Officer of Cardiff and Vale University Health Board and is a Lay Member (NHS) of **Cardiff University Council**. She has been appointed to represent C&V UHB on the NHS(Wales) Joint Commissioning Committee as a Committee Member.

Catherine Phillips is Executive Director of Finance of Cardiff and Vale University Health Board and Trustee and Wales Branch President of the **Healthcare Finance Managers Association (HFMA)**.

Susan Lloyd-Selby is an Independent Member (Local Authority) of Cardiff and Vale University Health Board and is an elected member of the **Vale of Glamorgan Council.**

Dr Stephen Riley is an independent member (Cardiff University) of the Cardiff and Vale Health Board and as Pro-Vice Chancellor is a member of the Cardiff University Executive Board.

Dr Rhian Thomas is an Independent Member (Capital & Estates) of the Cardiff and Vale University Health Board and a voluntary independent member of **Glas Cymru Cyf (Dwr Cymru)/Welsh Water.**

30. Related Party Transactions

	Expenditure to related party £'000	Income from related party £'000	Amounts owed to related party £'000	Amounts due from related party £'000
Glas Cymru Cyf (Dwr Cymru)/Welsh Water	2,762	0	261	0
Cardiff University	8,939	7,982	9,155	3,393
Health Finance Management Association	16	0	19	0
Cardiff & Vale University Board Health Charity	0	655	0	605
Total £'000s	**11,717**	**8,637**	**9,435**	**3,998**

31. Third Party assets

The LHB held £203,766 cash at bank and in hand at 31 March 2026 (31st March 2025, £176,939) which relates to monies held by the LHB on behalf of patients. None of this cash was held in Patient Investment Accounts in either 2025-2026 or 2024-2025. This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

In addition the LHB had located on its premises a significant quantity of consignment stock. This stock remains the property of the supplier until it is used. The value of consignment stock at 31 March 2026 amounted to £9,800,226.2 (£7,088,480.809 as at 31st March 2025).

32. Pooled budgets

Pooled Budgets Note 2025-26

JES:
The Health Board has entered into a pooled budget arrangement with Cardiff and Vale of Glamorgan Local Authorities, as permissable under section 33 of the NHS (Wales) Act 2006 for the operation of a Joint Equipment Store (JES). The purpose of the JES is the provision and delivery of common equipment and consumables to patients who are resident in the localities of the partners to the pooled budget.

The pooled budget is hosted by Cardiff Council, who are the lead body and act as principal for this scheme. The financial operation of the pool is governed by a pooled budget agreement between Cardiff Council, Vale of Glamorgan Council and the Health Board. The Health Board makes payments to Cardiff Council on receipt of an invoice in line with the agreed contributions to the pooled budget as set out in the agreement. Expenditure incurred is subject to regular review by the partners to the agreement. Any expenditure incurred by Cardiff Council above the agreed contributions in respect of NHS equipment and consumables is invoiced separately. As the funding for the UHB's contribution to the pooled budget has not yet been top sliced and is being provided via invoicing, then no adjustment in respect of the income and expenditure arising from the activities of the pooled budget is required in these accounts. In addition, as the UHB's proportion of the assets and liabilities held by the pool are not material in relation to the UHB, they have therefore not been consolidated within these financial statements.

The JES service had an agreed budget for the 2025-26 of £2,949,776 of which Cardiff & Vale UHB's contribution was £1,862,068. Overall the Pooled Budget was overspent in the year, and the Health element of the overspend was £972,291 and Cardiff & Vale has accounted for this in its annual accounts for the year ended 31/03/26.

RPB:
The Health and Social Care Regional Integration Fund (the RIF) is a 5 year fund to deliver a programme of change from April 2022 to March 2027. The RIF builds on the learning and progress made under the previous Integrated Care Fund (ICF) and Transformation Fund (TF) and will seek to create sustainable system change through the integratio of health and social care services. In 2025-26 the UHB received a RIF allocation of £19,462,908 from Welsh Government. The UHB acts as a banker for this allocation which funded the following priority areas and strategic programmes:

- Ageing Well - @ Home, Dementia strategy
- Starting Well – Emotional Health & Wellbeing, Complex health & disabilities, Enabling Starting Well
- Living Well – Learning Disabilities & Carers
- Integration infrastructure

These were managed with the following partner organisations:

- Cardiff and Vale UHB
- Cardiff Local Authority
- Vale of Glamorgan Local Authority
- Cardiff and Vale Third Sector

Care home packages:
Part 9 of the Social Services and Well-being (SSWWA) (Wales) Act 2014 requires Local Authorities and the Health Board for each region to establish and maintain pooled funds in relation to the exercise of care home accommodation functions. A pooled budget arrangement has been agreed between Cardiff and Vale Local Authorities and Cardiff and Vale University Health Board in relation to the provision of care home accommodation for older people. The arrangement came into effect on the 1st April 2018 for a period of 12 months renewable on an ongoing basis. Cardiff Council is acting as host authority during this period. Whilst there is one pooled budget in place, the processes for commissioning and payment for services has remained with the three organisations, with each partner continuing to be responsible for their own budget and expenditure. The accountability for the functions of the statutory bodies remains with each individual organisation, in accordance with the Part 9 Guidance under SSWWA 2014. The transactions into the pool for 2025/26 were £28,651,968.

33. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity:

The LHB has formed the view that the activities of its divisions are sufficiently similar for the results of their operations not to have to be disclosed separately. In reaching this decision we are satisfied that the following criteria are met:
(1) Aggregation still allows users to evaluate the business and its operating environment.
(2) Divisions have similar economic characteristics.
(3) The Divisions are similar re all of the following:
    (1) The nature of the services provided.
    (2) The Divisions operate fundamentally similar processes.
    (3) The end customers to the processes (the patients) fall into broadly similar categories.
    (4) They share a common regulatory environment.

The LHB did operate as a home to one hosted body during the period, The Wales External Quality Assessment Service (WEQAS). During **2025/26** these accounts contain income of **£4,903,772** and expenditure of **£4,727,548** in respect of WEQAS. The UHB does not consider the amounts involved to be sufficiently material to be reported as a separate segment.

34. Other Information

34.1. 9.4% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1st April 2025 to 31st March 2026. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2025 and February 2026 alongside Health Board data for March 2026.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2025-26 £000	2024-25 £000
Statement of Comprehensive Net Expenditure for the year ended 31 March 2026		
Expenditure on Primary Healthcare Services	**958**	937
Expenditure on healthcare from other providers	**0**	0
Expenditure on Hospital and Community Health Services	**65,199**	61,413
Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026		
Net operating cost for the year	**66,157**	62,350
Notional Welsh Government Funding	**66,157**	62,350
Statement of Cash Flows for year ended 31 March 2026		
Net operating cost for the financial year	**66,157**	62,350
Other cash flow adjustments	**(66,157)**	(62,350)
2.1 Revenue Resource Performance		
Revenue Resource Allocation	**66,157**	62,350
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**0**	0
Pharmaceutical Services	**0**	0
General Dental Services	**0**	0
Other Primary Health Care expenditure	**0**	0
3.2 Expenditure on healthcare from other providers		
	0	0
	0	0
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**135**	141
Staff costs	**66,022**	62,209
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**66,157**	62,350
Charged to capital	**0**	0
Charged to revenue	**66,157**	62,350
18. Trade and other payables		
Current		
Pensions: staff	**0**	0
28. Other cash flow adjustments		
Other movements	**66,157**	62,350

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2025-26. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Other

34.2 IFRS 17 - Insurance Contract Disclosures

The outcome of the annual contract review for a range of income contract types applicable to the 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 2025	0
Liability for remaining payments @ 31 March 2026	0
	0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	0
	0

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

34.3 Cardiff Medicentre

On its formation on 1st October 2009 the UHB inherited an interest in a joint venture which had been entered into by one of its predecessor organisations (South Glamorgan Health Authority) in 1992.

Our original partners in this venture are Cardiff Council, Cardiff University and the Welsh Government. The purpose of the venture was to provide dedicated business incubation facilities for start-up and spin-out companies operating in the medical healthcare and life sciences. On 1st April 2016 Welsh Government and Cardiff Council withdrew from the joint venture and sold their shares in it to Cardiff University.

The UHB does not make any direct financial contribution into the venture and does not ordinarily directly benefit financially from its operations. Given the immaterial amount involved, no adjustment has been made to these accounts to reflect the UHB's share of the joint venture. For illustrative purposes, had the UHB fully applied IFRS 11 "Joint Arrangements", then based on the last available published accounts of the Medicentre and applying the UHB's 11% share would mean that the UHB would show an investment in a joint venture (as defined by IAS 28 Investments in Associates and Joint Ventures) of £0.424m.

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.