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Cardiff and Vale  
University Health Board

Cardiff and Vale UHB

# Annual Report

2024 – 2025

## Accessibility

If you require additional copies of this document, it can be downloaded in both English and Welsh versions from our website. Alternatively, if you require the document in an alternative format, we can provide a summary of this document in different languages, larger print or Braille. Please contact us using the details below:

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# 1. Welcome from our Chair and Chief Executive

We are pleased to present the Health Board's Annual Report for 2024-2025 and thank you for taking the time to read it. This report provides us with the opportunity to share the progress made by the Health Board team with the support of a wide range of stakeholders and the community we serve, towards the achievement of our Annual Plan and the Shaping our Future Wellbeing Strategy. It also allows us to reflect upon some of the challenges impacting our team and those relying on us to support and care for them, often when they are at their most vulnerable.

We are committed to our 10-year strategy, "Shaping our Future Wellbeing," guiding us through to 2035. We have established Strategic Portfolios to ensure effective delivery of our plans and co-produced Strategic Shifts to guide our next steps over the next three years. These shifts focus on transitioning from illness and injury to equitable health and wellbeing, ensuring consistent quality and outcomes, moving to digitally connected environments, and planning for sustainability. Our main effort for 2025/2026, "Brilliant Basics," will support these shifts.

This strategy outlines our vision for 2035, focusing on key milestones over the next five and ten years. Our vision is to improve lives so that by 2035, everyone has an equal chance of leading a healthy life, regardless of where they live or who they are. We aim to address healthcare access disparities by promoting a healthy environment and being a great place to train, work, and live. We are listening to and empowering people to live healthy

lives, delivering equitable, timely, and safe care services where people are treated with kindness in facilities that are fit for purpose, flexible, and promote recovery. Our efforts today are designed to ensure the wellbeing of future generations, and these multifaceted endeavours are essential to realising our ambitions and effectively serving our communities.

As we come to the end of the financial year in March 2025, 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 University Health Board (UHB) strategic objectives.

## Putting People First

This year, we have made significant progress in supporting the delivery of the People and Culture Plan as part of our Putting People First objective by striving to improve the experience of all colleagues and reducing disparities in the experiences of colleagues from ethnically diverse communities. Guided by the Anti-racist Wales Action Plan (ArWAP) and the Workforce Race Equality Standard (WRES), we have focused on systemic inequalities and inclusivity. Collaboration with the Welsh Government has been fruitful, with positive feedback on our approach, vision, and progress, particularly around representation and progression for ethnically diverse colleagues.

We also committed to our role as corporate parents and have been expanding access to work placements and careers within Cardiff and Vale UHB. We support care-experienced young people with meaningful placements and tailored support, capturing their experiences through a Staff Stories template to shape

future opportunities. Our efforts include partnerships with schools for learners with additional needs, and organisations supporting homeless individuals, refugees, and ex-offenders, ensuring we reach those facing employment barriers. Through this work, we create inclusive pathways into the NHS, helping individuals from all backgrounds envision a future within our workforce.

## Providing outstanding Quality

We are dedicated to fulfilling our statutory Duty of Quality and Candour while achieving our Providing Outstanding Quality strategic objective. This commitment aims to enhance the quality of health services and outcomes for the people in Wales. We continue to promote a transparent, accountable, and patient-centred healthcare system that consistently strives to improve care and outcomes for the population.

To help deliver our objective for Providing Outstanding Quality, the Rapid Hip Fracture Pathway was implemented and has resulted in significant improvements in the patients' journey to such an extent that Cardiff and Vale UHB is now one of the best performing hip fracture units in the UK. eTriage Kiosks were introduced in the Emergency Unit at the University Hospital of Wales to improve patient experience, increase efficiency, and support the clinical triage team with prioritisation of those patients most in need. Bronze Accreditation in the Ward Accreditation and Improvement Programme was awarded to four wards for their dedication to delivering high standards of care and using data-driven insights to implement meaningful improvements. We launched the CAVHIS Outreach Programme which exemplifies Cardiff and Vale University Health Board's commitment to providing

inclusive, patient-centred care and addressing the unique needs of the community. By focusing on proactive and preventive measures, the programme strives to create a healthier, more resilient population.

## Delivering in the Right Place

To ensure we are Delivering in the Right Places, we have focused on supporting the Digital Roadmap our key initiatives and strategies aimed at enhancing the digital capability to transform our ways of working and improve patient care. This includes developing a programme business case to invest in infrastructure, implement the Electronic Health Record, and improve digital maturity. We have adopted a more inclusive approach by embedding Microsoft 365 licences and email addresses for all colleagues, and expanded access to Microsoft 365 Copilot, an AI tool that automates routine tasks like note-taking, generating summaries, and managing tasks. Additionally, we received £4.4 million capital funding from the Welsh Government to enhance our overall digital infrastructure. In our community services, we held a Healthy Lives event during Ramadan at Cardiff City Stadium, educating women of Islamic faith on the importance of breast, cervical, and bowel screening, as well as childhood vaccinations. The Safe at Home primary care service expanded, offering older and frail individuals a safe alternative to hospital care at home. Furthermore, The Hangout Cardiff (Platform) opened a second location in Barry, providing a welcoming environment for 11-18-year-olds to access mental health and emotional wellbeing support. We are also proud of producing another series of our BBC One series Saving Lives in Cardiff which is now airing its second series,

showcasing the dedication of clinical and operational teams working within the Health Board every day.

## Acting For The Future

Throughout 2024/25, colleagues worked hard to reduce the Health Board's carbon emissions and protect the environment, supporting the delivery of our Acting For The Future objective. CAVUHB pioneered an environmentally friendly alternative for 'gas and air', used as pain relief for women in labour, potentially slashing harmful emissions here and beyond. The Electronic Prescribing and Medicines Administration (ePMA) system is due to be launched by the end of the year, which aims to improve the prescribing and administering of medication. Cardiff is leading the way in and for Wales, in a truly collaborative approach, and is investing effort into informing and equipping services to deliver exciting and innovative treatments for our patients as we support advanced therapy clinical trials and therapies as they move into standard of care. Attracting world leading clinical staff to deliver clinical trials for Huntington's disease patients and securing Health Care Research Wales support for the Advance Neuro Therapies Centre (ANTC). As well as signing the Memorandum of Understanding (MOU) between the Genomics Partnership Wales to facilitate technical and scientific collaboration. In collaboration with Cardiff University, Public Health Wales and Illumina as well as the Welsh Government.

Addressing the public health impacts of the climate emergency threat to population health requires a comprehensive approach that includes mitigation efforts to reduce greenhouse gas emissions. With the creation of our innovative carbon recipe book, we are

working to build in the carbon impact to procurement and estates as well as clinical processes. During 2024-25 we continued to build on the already strong relationship we have with the Office of the Future Generations' Commissioner, and conducted a self-assessment exercise against the Act's five ways of working, to help us further embed the sustainable development principle in our everyday work.

## Challenges

The challenges that continue to pose significant impacts to the organisation are due to an aging population and increasing demand for healthcare services, which strain resources and infrastructure. Financial constraints and the need for modernisation further complicate timely and effective care delivery. The aging infrastructure does not provide the therapeutic environments that are needed to deliver quality care and it has been and continues to be a focus of the board to build infrastructure resilience across the Health Board. Whilst there are still significant challenges the Capitals Estates and Facilities team have demonstrated dedication and large amounts of progress in improving infrastructure and supporting the organisation's needs.

Despite providing more care than ever, many people remain on waiting lists, highlighting there are still areas for improvement. Innovative solutions like the award-winning Waiting Well Service aim to improve patient outcomes by ensuring they are well-prepared and supported while waiting for their treatment. Winter viruses such as COVID-19, RSV, flu, and norovirus also pose significant challenges to public health and the financial sustainability

of the NHS. To address this, a regular vaccination program is delivered both in the workplace and throughout the community, aiming to protect staff and patients while reducing the demand on healthcare services.

Despite the significant challenges we face, the Board remains committed to leading change. One of the key learnings from the past year is that effective plan delivery critically depends on strategic alignment and ownership across the entire organisation. In response, we have modified our approach based on these insights and held a rapid planning event to enhance understanding of our vision and increase the co-production of our plans with the senior leadership team and the wider organisation.

We would like to thank the volunteers, staff, stakeholders and partners who allow us to provide the care we deliver.

As well as the people the of Cardiff and the Vale of Glamorgan for their continued support and feedback as we seek to continuously learn and improve the quality of access, care, treatment, and experience for everyone. We have challenging times ahead, but we are confident that by tackling these challenges together, we can support people to live healthier lives and reduce the unfair differences in the prevalence of illness and health outcomes we see in our communities today.



*Suzanne Rankin*  
**Suzanne Rankin**  
Chief Executive



*Charles Janczewski*  
**Professor Charles Janczewski**  
UHB Chair



## 2. Cardiff and the Vale Health Board Profile

### 2.1 About Us

Cardiff and the Vale University Health Board is one of the largest NHS organisations in Europe. Established in 2009, it provides a range of health and wellbeing services to its population. We spent around £2.1 Billion in 24/25 on providing our communities with the full range of health and wellbeing services including:

- **Primary and community-based services:** GP practices, Dentists, Pharmacy and Optometry and a host of community led therapy services via community health teams. We also provide step-down, step-up community hospital care from St Davids and Barry Hospitals.
- **Acute services through our two main University Hospitals and Children's Hospital:** providing a broad range of medical and surgical treatments and interventions.
- **Public Health:** we support the communities of Cardiff and the Vale with a range of public health and preventative health advice and guidance.
- **Tertiary centre:** we also serve a wider population across Wales and often the UK with specialist treatment and complex services such as neurosurgery and cardiac services.

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, optometrists, 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 Our Mission and Vision

Our Vision, for the people we serve, is through 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. Everyone should have the best possible opportunity to live a healthy and fulfilling life - where unfair differences in health outcomes, which impact on life expectancy, are reduced. We will achieve this by working with local communities and the Public Services Board partners to tackle the issues that cause preventable illness and premature death.

To achieve our vision, we have developed our strategic objectives – the Health Board’s wellbeing objectives - which reflect our commitment to embedding the sustainability principles set out in the Wellbeing of Future Generations Act in the way that we work together to deliver them.

We also aspire to provide outstanding healthcare, where the outcomes reflect that we are a highly research- active University Health Board and are comparable with high-performing peers. We will measure our performance against health care organisations that are like us in terms of the size and complexity of the Health Board’s services, teaching and research, at UK and international level.

## Our Plan 25/26



## 2.3 Our Board

Our Board consists of 21 members, including Chair, Vice Chair and Chief Executive. The Health Board has 11 Independent Members, all of whom are appointed by the Minister for Health and Social Services, and three Associate Members.

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.

In addition to their responsibilities and accountabilities set out in their terms and conditions of appointment, Board members also fulfil a number of Champion roles where they act as ambassadors for these matters.

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

Our committee meetings have continued to be held virtually during the year. Members of the public have been able to view recordings of our virtual Committee meetings since February 2022 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 from the Director of Corporate Governance and are also 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 Health Board's website.

All Committees annually review their Terms of Reference and Work Plans to support the Board's business, in addition to producing an Annual Report to demonstrate compliance with their respective Terms of Reference. Committees also work together on behalf of the Board to ensure that work is planned cohesively and focusses on matters of greatest risk that would prevent us from meeting our mission and 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.

# Our Board Members

## Independent Members



**Professor Charles Janczewski**  
Chair



**Professor Ceri Phillips**  
Vice-Chair



**Susan Lloyd-Selby**  
Independent Member -  
Local Authority



**David Edwards**  
Independent Member -  
Information Communication  
& Technology



**Akmal Hanuk**  
Independent Member -  
Local Community



**Sara Moseley**  
Independent Member -  
Third (Voluntary) Sector



**Dr Rhian Thomas**  
Independent Member -  
Capital & Estates



**John Union**  
Independent Member -  
Finance



**Mike Jones**  
Independent Member -  
Trade Union



**Steve Riley**  
Independent Member -  
University



**Dr Rachna Upadhya**  
Independent Member -  
General

## 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

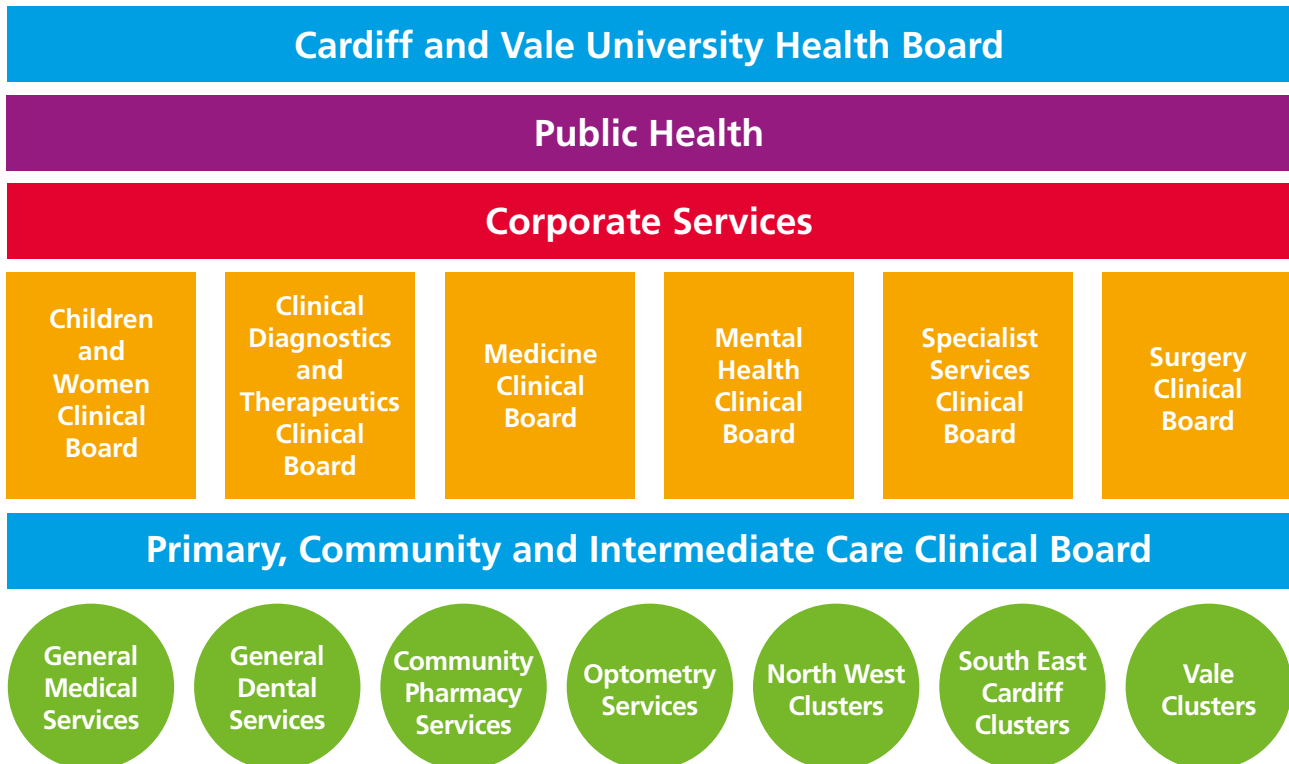


**David Thomas**  
Director of Digital and  
Health Intelligence

## 2.4 Our Structure

We have a workforce of around 18,400 staff (15,489 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.

## 2.5 The Population We Serve

Nearly 500,000 people live in Cardiff and the Vale of Glamorgan. Previous trends in population growth in our area had slowed, with a projected increase of 3%-4% over the next 10 years, or around 15,000-20,000 more residents expected. However, in Cardiff specifically, the population growth in the last two years has been more rapid than expected. This is mainly driven by students and young adults seeking work. The proportion of people in our area who are older is likely to continue to increase. Changes in planning, housing or migration policies all impact population growth.

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](#).

### 2.5.1 Citizen Voice Body (Llais)

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

We work together with Llais to discuss the delivery and development of the services we provide, and we welcomed reports from them and are grateful for their advice, challenge and support.

For more information, please contact:

Llais Cardiff, Parc Ty Glas, Llanishen  
Cardiff, CF14 5DU

Telephone: 02920 750112

Email: [enquiries@llaiscymru.org](mailto:enquiries@llaiscymru.org)

## 2.6 Principles of Remedy

The Health Board has fully embraced the regulations which guide the handling and response to concerns (complaints and incidents) launched by Welsh Government in April 2011. In addition, the Health Board's approach to dealing with concerns very much reflects the 'Principles of Remedy' published by the Public Services Ombudsman for Wales.

### a) Getting it right

- We acknowledge when we identify things that could have been improved.
- We consider all relevant factors when deciding the appropriate remedy, ensuring fairness for the complainant and, where appropriate, for others who have suffered injustice or hardship as a result of the same maladministration or poor service.
- We apologise and explain the maladministration or poor service.
- We try to understand and manage people's expectations and needs.
- We always try to deal with people professionally and sensitively.

### b) Being customer focused

- We acknowledge and accept responsibility for failure if and when it occurs.

- We explain clearly why the failure happened and express sincere regret for any resulting injustice or hardship.

### c) Being open and accountable

- We try to be open and transparent
- We strive to treating people without bias, unlawful discrimination or prejudice.

### d) Acting fairly and proportionately

- We consider all forms of remedy (such as an apology, an explanation, remedial action, or financial compensation).

### e) Putting things right

- We are focussed upon using information on the outcome and themes from concerns to improve services.

### f) Seeking continuous improvement

- We seek to offer a proportionate, reasonable investigation and response that aims to identify the opportunities for service improvement.

## 2.7 Our Strategy

In September 2023 our refreshed strategy, *Shaping our Future Wellbeing*, was approved by the Board, a copy of which 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 that we will aim to deliver over the next five and ten years to deliver the Health Board's strategy.

We have challenging times ahead, but we are confident that by tackling these challenges together, we can support people to live healthier lives and reduce the unfair differences in the prevalence of illness and health outcomes we see in our communities today. We aspire to deliver outstanding care and treatment for people when they need it, where they need it; care that compares well with the best in the world, but to do so, we need to transform how we deliver services over the next decade and beyond.

We are a values-driven organisation, and our goals will only be realised if our values are at the heart of everything we do. Created by colleagues, patients and their families and carers.

Within the refreshed Strategy, we have set four strategic objectives, the achievement of which will enable us to realise our vision for better health and outstanding care.

These are:

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 will be 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



**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.

**Image 3 – CAVUHB Strategic Objectives**

with Swansea Bay UHB), Cardiff University Partnership, and collaborative commissioning partnerships such as the Joint Commissioning Committee (JCC) which has replaced the Welsh Health Specialist Services Commissioner (WHSSC).

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.

## 2.8 Research and Development (R&D)

The Health Board is proud of its long-standing University status designation and its history of delivering pioneering, high-quality clinical research and development. This upholds one of the core principles of the ongoing NHS and Health Board strategy, namely, to embrace R&D and innovation to generate new knowledge and drive change and transformation within healthcare.

Cardiff and Vale continues to have the largest research portfolio in Wales, opening 198 new 'hosted' studies this year. Our performance far exceeds other University Health Boards in Wales and accounts for approximately 35% of all recruitment in Wales. However, we believe that as an organisation we have the potential to achieve much more.

## Aligning with Clinical priorities

Building on our partnership with Advanced Therapies Wales (ATW) and Midlands and Wales Advanced Therapy Treatment Centers (ATTC), Cardiff and Vale continue to cultivate the capacity and capability to deliver research in this area, leading the way for other organisations in Wales. Local expertise within oncology and neurology have been the main driver for this work, however, the portfolio is developing into areas such as cystic fibrosis, cardiology and surgery.

The Neurosurgery portfolio lead by Professor Liam Gray delivered the AMT-130 gene therapy trial in Huntington's Disease. As the only centre in the UK, a total of 4 patients were treated between June 2022 and Sept 2024. On the successful basis of this trial, the team have been selected as a site for a gene therapy for Parkinson's disease and gene therapy dementia due to open to patients during 2025/26.

An important collaboration to further develop this work is with the Cardiff Cancer Research Hub which is a collaborative between CAVUHB, Velindre Cancer Centre and Cardiff University. Patients have successfully been recruited and treated in both solid tumor and Haematology studies with a number of trials in set up as the research portfolio builds across the 3 organisations providing wider access to medium and high-risk early phase trials and advanced cell therapies but also the opportunity to develop bench to bedside therapies, reverse translation and novel diagnostics.

## Industry Opportunities

Cardiff and Vale have many strong links with industry partners, generating over

£3million of commercial income for reinvestment back into supporting research.

Utilising industry and health board investment Cardiff and Vale UHB are leading on a vaccine program for Wales with a vaccine centre based in the Clinical Research Facility. The team were commended for their delivery of Moderna's Norovirus vaccine study, highlighting the efficient study set up and delivery to time and target.

## Leading Research

This year Cardiff and Vale researchers have continued to achieve success in securing large National Institute of Health Research (NIHR) Grants in collaboration with Cardiff University Centre for Trials Research which was awarded a £1.2 million NIHR Health Technology Assessment Grant to conduct the The EXCISE Study. This involves Examining antibiotics for ulcerated skin cancer surgery Excision: a pragmatic, multi-arm 'durations' design randomized controlled trial. The study will open across multiple UK sites in 2025.

There have also been 9 investigator led research projects developed and set up this year by Cardiff and Vale staff. It is hoped the success will continue to grow with the support of the Joint Research Office and collaboration with academic partners.

## 2.9 Innovation and Partnerships

The strain upon healthcare services remains intense and very real, putting our colleagues who strive to deliver services under continual pressure, as well as

sometimes unfortunately increasing the levels of uncertainty and anxiety of our patients and their support circle.

In light of this, over the past year, the Health Board Innovation Team has looked not only to deliver on existing projects and initiatives, but to also identify opportunities to develop new and grow collaborations and partnerships. Examples of these are given below, some of which are active, multi-year projects and others which are at a more formative stage.

## Partnering Locally and Nationally

The Welsh Government continues to provide active support to healthcare-orientated, innovation-linked activity aligned to Government policy and implementation plans.

The Health Board has supported in the development of a national framework for innovation along with associated tools and training materials which are available on the Health and Social Care Wales Innovation Wales website from March 2025.

Locally, emphasis has been on supporting the delivery of exciting projects and teams have liaised and connected with colleagues involved in delivering change and transformation within the organisation which includes:

The Endoscopy Challenge, funded by Cardiff Capital Region, aimed to help reduce endoscopy services waiting lists, which has now progressed to Phase 3 with IQ Endoscopes (IQE), entering the production phase of a single-use endoscope. The Health Board hosted Centre for Healthcare Evaluation, Device Assessment, and Research (CEDAR) working with clinicians and service



Image 4 - IQ Endoscopes: 'Partnership with the NHS' MediWales Award winner

teams have helped guide product development. They have identified areas and applications that would deliver clear benefit and positive impact, such as being able to undertake routine, low-risk endoscopic procedures outside of dedicated endoscopy suites, maybe even in a community setting, thus complementing the reusable systems. This work was the winner of the '[Partnership with the NHS Award](#)' prize at the [MediWales Awards](#) in December 2024.

The Health Board also won an '[Industry Judges Award](#)' for the work by the Child Health team, in partnership with Virtual Ward Technologies, for the use of wearables to help targeted children with a high BMI stay engaged and manage their weight better.

The Health Board participated in work funded by [SBRI Wales](#) to develop a system to reduce the environmental impact of nitrous oxide gas ('gas and air'

which is often used as a form of pain relief, especially in maternity delivery suites). The project, actively supported and expertly managed by the SBRI Wales team, was a success in that e-Breathe produced a prototype system that was [tested in NHS Wales facilities](#), including in [a delivery suite at the University Hospital of Wales](#), with positive feedback from staff and mums in labour. The system is now commercially available.

### Looking to the future

The Health Board has been working with Cardiff University and Velindre University NHS Trust to explore opportunities in the academic health science space through a new partnership programme.

The aim is to create a Regional Innovation District, centred around the heart of Cardiff, to drive collaborative innovation, research, and education to enhance patient outcomes and reduce health inequalities.

The background features a large, abstract graphic of overlapping, wavy blue shapes. The colors range from a light sky blue to a deep, dark teal. The waves flow from the top right towards the bottom left, creating a sense of movement and depth. The text is centered within the darker teal portion of the graphic.

# Part 1

# Performance Report

## 3. Key Service Changes delivered in 2024-2025

### 3.1 Introduction

The Health Board outlined its performance ambitions as part of our annual plan which was submitted in March 2024. In line with our submission in the previous year, we set our annual plan within a three-year context as we looked to strengthen and build on the foundations we have laid. Our emphasis has continued to be on ensuring that quality and value underpin our approach and despite a challenging year we are proud of the performance and care we have delivered across many of our services. 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

Our organisational performance during 2024-25 was underpinned by our Board approved approach to prioritisation. Through this approach those patients in need of urgent and emergency services are prioritised. Our second priority focus area is for those patients requiring time critical care, including treatment for cancer. Our third priority focus is then for planned and elective services. Through continued and consistent application patients in Cardiff and Vale have again averaged less time waiting on ambulances, spent less time in our emergency department and received cancer treatment quicker than in other parts of Wales.

### A Healthier Wales - as the overarching policy context

A Healthier Wales sets out a long-term vision that everyone in Wales should live longer, healthier and happier lives. It proposes a whole-system approach to health and social care which is equitable, and where services are designed around individuals and groups based on their unique needs and what matters to them, as well as quality and safety outcomes. The delivery of this ethos has continued to be integral to both our planning and delivery of services and has underpinned the creation of our strategy 'Shaping our Future Wellbeing to 2035'.

#### Population health

Our commitment to improving population health has been shaped around our plan 'Shaping our Future Population Health'. Published in February 2022, this plan has helped us to set out a system approach to identify and 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.

#### Mental Health and emotional wellbeing

Mental Health and Emotional Wellbeing services have again seen a significant increase in referrals over the past year, despite this our performance against the core standards for assessment and treatment have gradually improved across the year for both adults and children. Neurodevelopment services continue to have long waits for assessment; this is trend seen across the UK and we have worked closely with colleagues in

NHS Wales to develop plans for a more sustainable approach moving forwards.

### **Supporting the health and care workforce**

The health and wellbeing of our people continues to be of the utmost importance. Over the last year we have remained committed to supporting and enhancing the wellbeing of our people. Our ambition continues to be to make the Health Board a great place to work, learn and train and we continue to make progress on embedding the ambitions set out within Our People and Culture Plan launched in 2022.

### **NHS Finance and managing within resources**

The Annual Report sets out how the Health Board has managed its financial resources during the financial year 2024/2025.

### **Working alongside Social Care**

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

## **3.3 Integrated Medium-Term Plan (IMTP)**

Within Wales and across the UK, we are operating within the most challenging circumstances that the NHS has faced since its inception. This is primarily a result of the legacy of Covid and Brexit, the volatile economic environment, the impact of the cost-of-living crisis on our staff and our residents, and the increased demand upon our services.

Our 2024/2025 plan was an annual plan set in a three-year context, as we were unable to deliver the level of recurrent savings that we set out in our 2023/2024 plan or mitigate escalating cost pressures.

Our Annual Plan 2024/2025 was set in the context of our 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 set out our plans aligned to core enablers such as regional and partnership working, digital transformation and infrastructure improvements. Our plan was informed by the Primary Care Cluster and Pan-Cluster Plans in conjunction with the Cardiff and

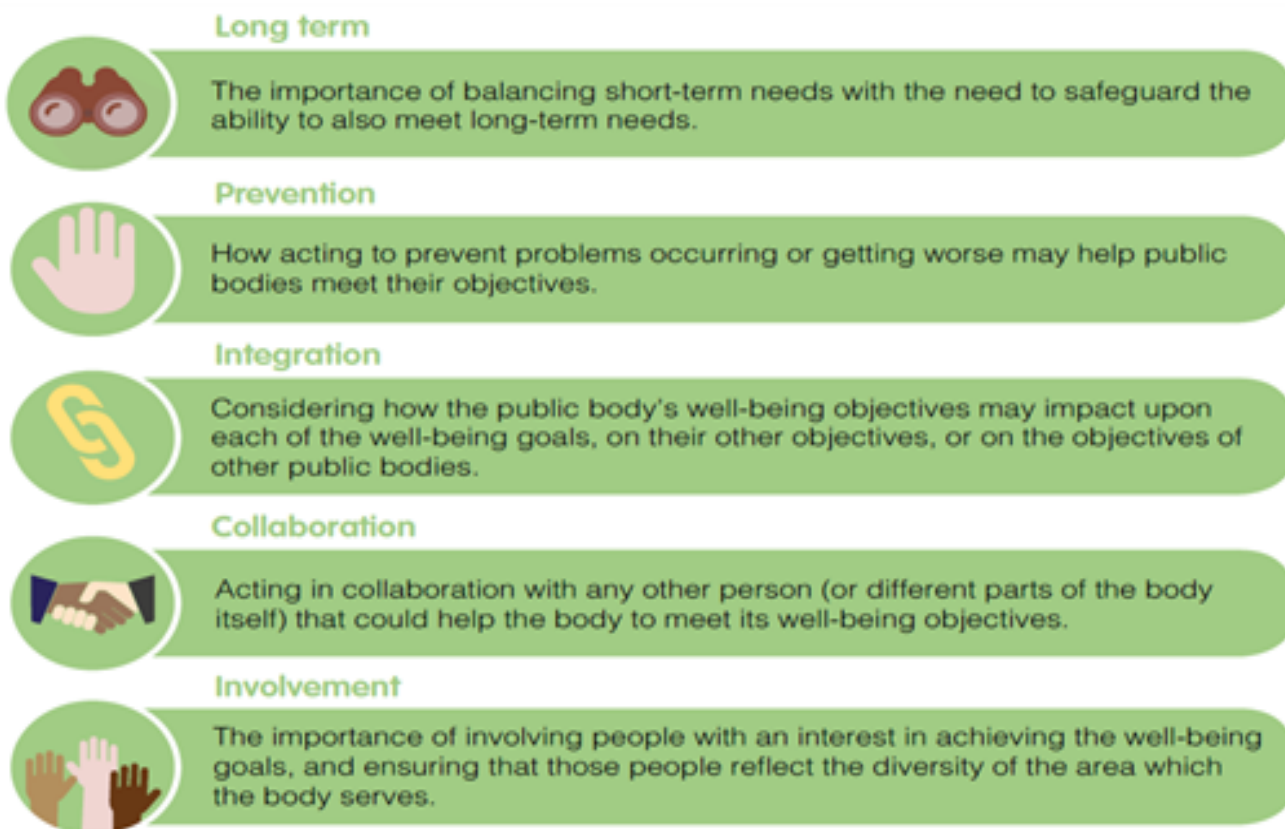
Vale of Glamorgan population needs assessments and the Wellbeing assessments of the two local authority areas to ensure we are delivering outcomes that matter to our population. These highlight the specific health needs of our population and are supported by the needs profiles for our three localities. Aligned to this, we developed a set of commissioning intentions which our plan responded to.

Similarly, our Annual Plan responds to the commissioning requirements of

our neighbouring health boards and Joint Commissioning Committee for the specialist and tertiary services we provide for their populations and patients.

In response to the Health Board's Annual Plan, the Welsh Government has issued a number of Accountability Conditions which are required to be met and which require the following "Five Ways of Working" sustainable development principles of the Well-being of Future Generations Act to be central to the Health Board's approach.

## Five Ways of Working



**Image 5 – Sustainable Five ways of working principles**

### 3.4 Performance Appraisal and Assessment

The Health Board's overall performance was characterised by a number of improvements in access and quality within urgent and emergency, specialist and mental health pathways alongside continued challenges in planned care services. The delivery of improvements, despite the impact of sustained and significant periods of industrial action, give cause for reassurance that the organisation is progressing towards its objectives albeit at a slower rate than originally planned. Challenges across Health and Social care, particularly in relation to workforce pressures and a reduction in social care capacity, have proved extremely difficult to overcome. In order to mitigate these as well as possible, the Health Board has sought to keep our focus on quality and candour at all times.

To assess our performance, we have reviewed our delivery against the Cabinet Secretary Priorities from this year. Whilst performance has been in line with our commitment in some areas, it has been behind it in others, particularly in relation to planned care performance, and our revised ambitions are a central part of our 2025/26 annual plan.

### 3.5 Financial Performance Trends

The Health Board has a statutory obligation to remain within its resources on a three-year rolling measure. The target was not met in 2022-23 as Covid pandemic funding decreased at a time when the Health Board coped with inflationary pressures and system pressures in part incurred as a legacy of the Covid pandemic period. In 2023-24 as a result of the significant pressures the Health Board faced in year as it continued to deliver services from an operational footprint still predominantly designed to address Covid demands and infection control the financial duty was not met..

The Target was again not met in 2024-25 as a result of on going pressures within the Health Board.

The Health Board's financial statements have been prepared in accordance with the 2024-25 NHS Wales Manual for Accounts.

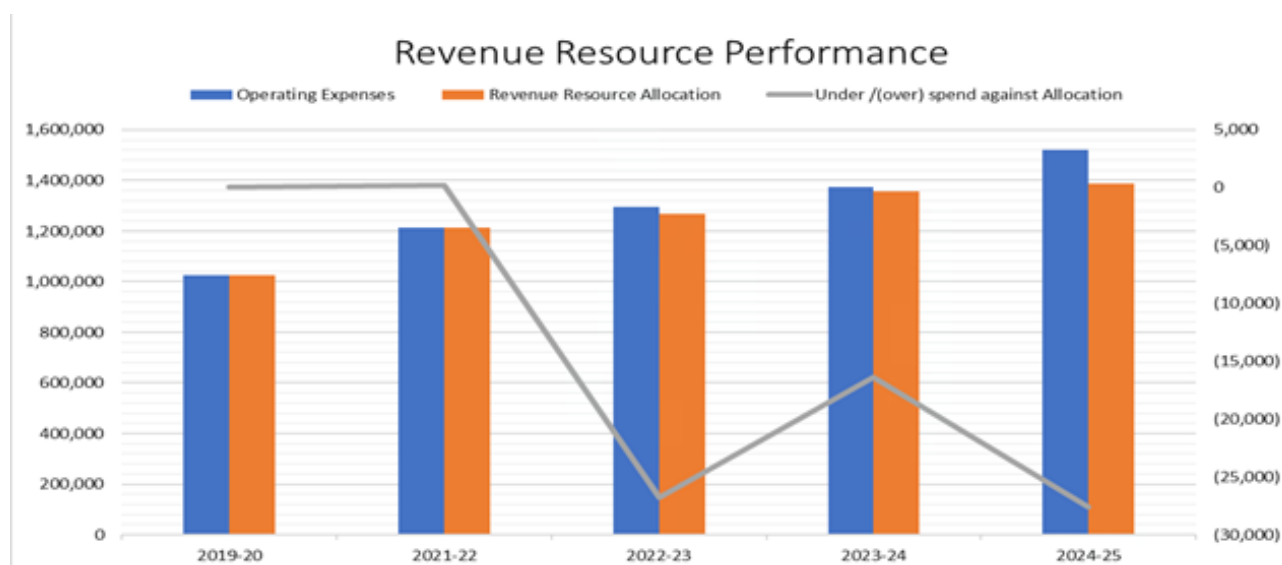
The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FRoM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

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 Cardiff and Vale University Health Board will continue in operation. Consequently, the going concern basis has been adopted.

## Performance against the 3-year financial break even duty

	Year end position surplus / (deficit) £'m	Rolling 3 year break even duty surplus / (deficit) £'m	Pass or fail financial duty
2014/15	(21.364)	n/a	n/a
2015/16	0.068	n/a	n/a
2016/17	(29.243)	(50.539)	Fail
2017/18	(26.853)	(56.028)	Fail
2018/19	(9.872)	(65.968)	Fail
2019/20	0.058	(36.667)	Fail
2020/21	0.090	(9.724)	Fail
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

	2020-21 £'000	2021-22 £'000	2022-23 £000	2023-24 £000	2024-25 £000
Net operating costs for the year	1,220,369	1,228,135	1,309,705	1,388,556	1,536,764
Less general ophthalmic services expenditure and other non-cash limited expenditure	(13,388)	(14,237)	(13,381)	(13,794)	(13,833)
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(1,028)	(222)	(222)	(222)	(222)
Total operating expenses	1,205,955	1,213,676	1,296,122	1,374,540	1,522,709
Revenue Resource Allocation	1,206,045	1,213,908	1,289,333	1,358,136	1,495,082
Under/(over) spend against Allocation	90	232	(26,789)	(16,404)	(27,627)



## Capital Resource Limit

The Health Board continues to manage within its annual Capital Resource allocation through the proactive management of the Health Board Capital Management Group which oversees capital bids and progress on major capital projects to appropriately flex expenditure plans and utilise each year's capital allocation effectively.

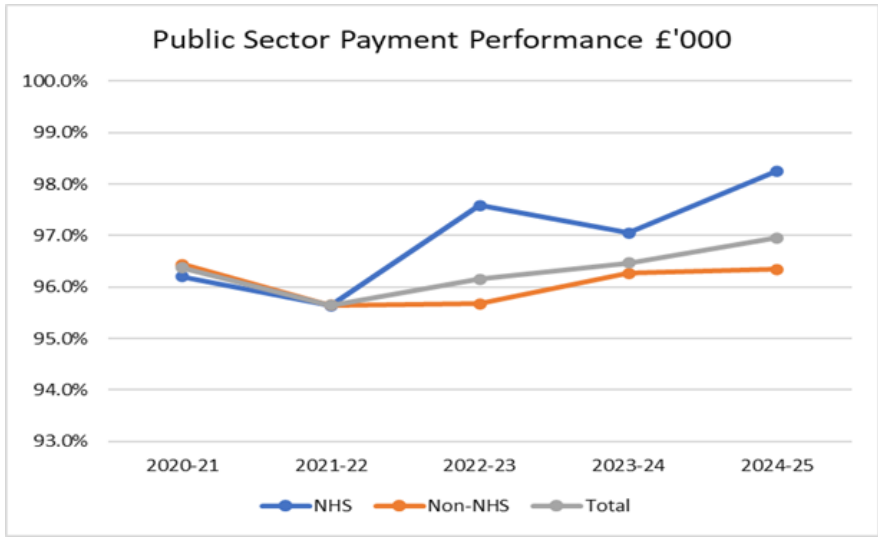
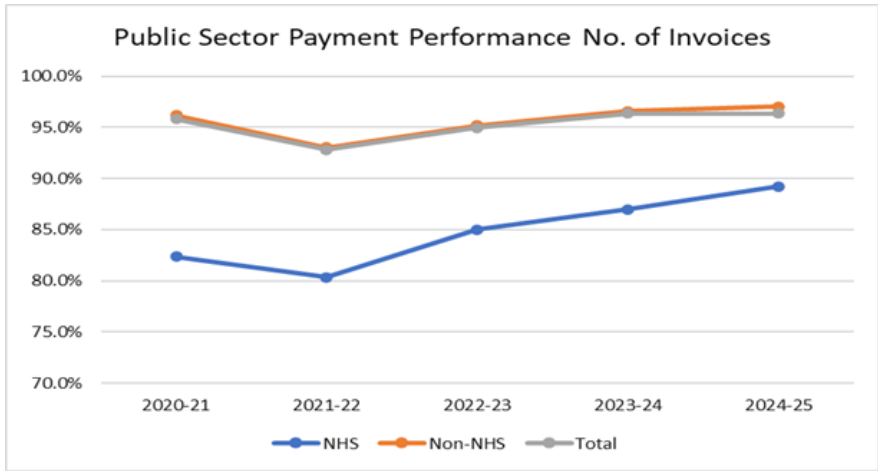
	Capital Resource Limit	Actual year end position surplus / (deficit) £'000	Rolling 3 year break even duty surplus / (deficit) £'000	Pass or fail financial duty
2022/23	55,410	88	233	Pass
2023/24	45,603	72	201	Pass
2024/25	59,156	248	408	Pass

## Public Sector Payment Performance

The Health Board met its public sector performance target in 2024-25 and continued to improve its NHS payment compliance within this overall level of performance.

Public Sector Payment Performance	2020-21 Number	2021-22 Number	2022-23 Number	2023-24 Number	2024-25 Number
<b>NHS</b>					
Total bills paid	7,488	6,314	7,864	7,305	7,382
Total bills paid within target	6,169	5,072	6,684	6,353	6,587
Percentage of bills paid within target	82.4%	80.3%	85.0%	87.0%	89.2%
<b>Non-NHS</b>					
Total bills paid	286,413	306,094	362,856	313,943	280,190
Total bills paid within target	275,422	284,850	345,405	303,193	271,808
Percentage of bills paid within target	96.2%	93.1%	95.2%	96.6%	97.0%
<b>Total</b>					
Total bills paid	293,901	312,408	370,720	321,248	287,572
Total bills paid within target	281,591	289,922	352,089	309,546	278,395
Percentage of bills paid within target	95.8%	92.8%	95.0%	96.4%	96.8%

Public Sector Payment Performance	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000
<b>NHS</b>					
Total bills paid	275,720	299,775	344,958	362,462	409,279
Total bills paid within target	265,247	286,700	336,633	351,782	402,149
Percentage of bills paid within target	96.2%	95.6%	97.6%	97.1%	98.3%
<b>Non-NHS</b>					
Total bills paid	786,048	880,894	1,024,980	1,033,511	888,621
Total bills paid within target	758,016	842,548	980,609	994,919	856,160
Percentage of bills paid within target	96.4%	95.6%	95.7%	96.3%	96.3%
<b>Total</b>					
Total bills paid	1,061,768	1,180,669	1,369,938	1,395,973	1,297,900
Total bills paid within target	1,023,263	1,129,248	1,317,242	1,346,701	1,258,309
Percentage of bills paid within target	96.4%	95.6%	96.2%	96.5%	96.9%



**Image 6- Performance Against Cabinet Secretary Priority Measures**

Cabinet Secretary Priority	Measure	National Standard	C&V Commitment	Performance
Enhanced Community Care	Number of delayed transfers of care	Reduce vs. previous year	Reduce vs. previous year	March 2025 = 2.3% reduction
	GP practices achieving core access standards	100%	100%	Performance regularly met 100%
Primary and Community Care	General Dental Services % of contract value fulfilled	100%	100%	>99% achieved
	1.2 hour emergency department waits	40% reduction (March 25)	40% reduction	Increased vs. 23/24
Urgent and Emergency Care	1-hour ambulance handover delays	30% reduction (December 24)	30% reduction	Increased vs. 23/24
	<28-day waits for intervention % (under 18s)	80%	80%	99%
Mental Health	<28-day waits for intervention (over 18s)	80%	80%	100%
	>67 week new outpatient waits	0 (March 25)	15925	15725 – met C&V commitment, not national standard
Planned Care and Cancer	>104 week treatment waits	0 (December 24)	1326 (revised to 1800)	1635 – met revised C&V commitment, not national standard
	62-day single cancer pathway %	70% (March 25)	70%	64.4% February 2025
	>8 week diagnostic waits	>5% (December)	14756	13025 – met C&V commitment, not national standard

## 3.6 Delivery and Performance Analysis

### 3.6.1 Operational Performance Analysis

#### Urgent and Emergency Care

Improvements to our Urgent and Emergency Care pathways have continued to be a central focus of our efforts this year. Our 6 Goals for Urgent and Emergency Care Programme has transitioned to a programme structure which puts equal emphasis on our in and out of hospital services.

Primary and community care teams continue to be the foundation of our urgent and emergency care system. During 2024/25 the Health Board provided over 210,000 district nursing visits which have helped to support our patients receive care in their usual place of residence. We are delighted that our new Safe@Home model, launched at the start of 2024 has gone from strength to strength and is now estimated to have avoided over 7000 bed days by providing multi-disciplinary support to patients in the community.

We have continued to support primary care with Urgent Primary Care Centres (UPCC) providing valuable additional capacity to help improve access for patients and to relieve pressure on General Medical Services (GMS) practices.

Working with partners across Health and Social Care has continued to be 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 we had

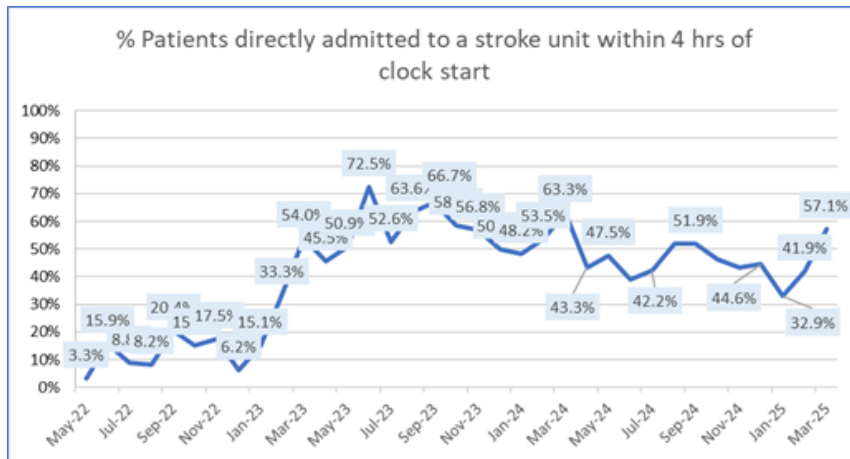
163 patients who had delayed transfers out of hospital, a significant reduction on the 221 in the previous year.

Following the successful reorganisation of our emergency department and assessment units in 2024/25, the Health Board has remained a positive outlier in Wales in relation to ambulance handover performance. Similarly, we continue to have a lower proportion of patients waiting over 12 hours in our emergency departments. Despite this comparatively positive performance we did see an increase in some of our waiting times as additional demand and higher acuity of patients impacted on our performance.

As we move forward and look to 25/26 our 6 goals programme will be paying additional attention to improving our in-hospital flow and reducing the time patients spend in hospital. Aligning to the national programmes, including the Optimal Hospital Flow Framework, we are committed to significantly reducing the average length of stay across our medicine wards.

Our performance in some of the key emergency pathways has been varied in 2024/25 and remains an area of focus moving forwards. For hip fractures we have largely sustained the gains achieved in recent years and continually perform above the national average. Conversely in our stroke pathway our performance against measures such as the 4-hour admission to wards has reduced with some improvement towards the end of the year. Our acute stroke improvement plan, including an increase in medical and nursing workforce, has commenced in January 2025 and we will be working hard to improve performance in this area through the coming year.

**Image 7 – Stroke Ward admission within 4 hours**



**Image 8 – Stroke patients CT scanned within 1 hour**

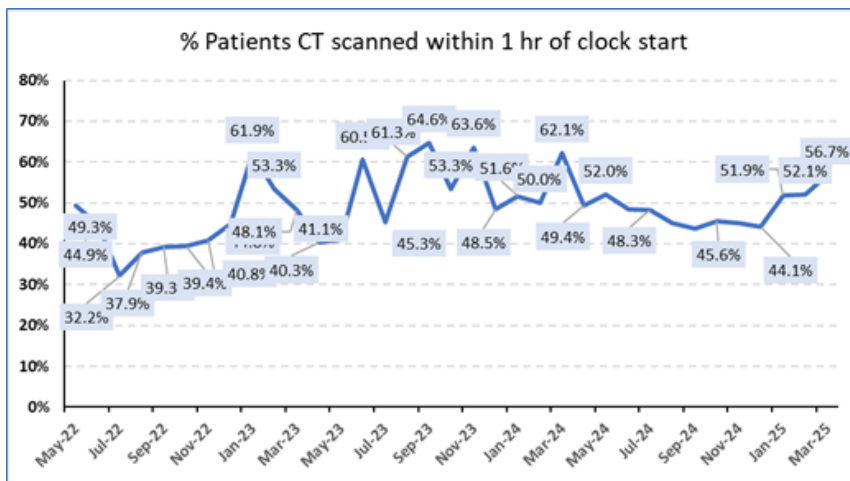
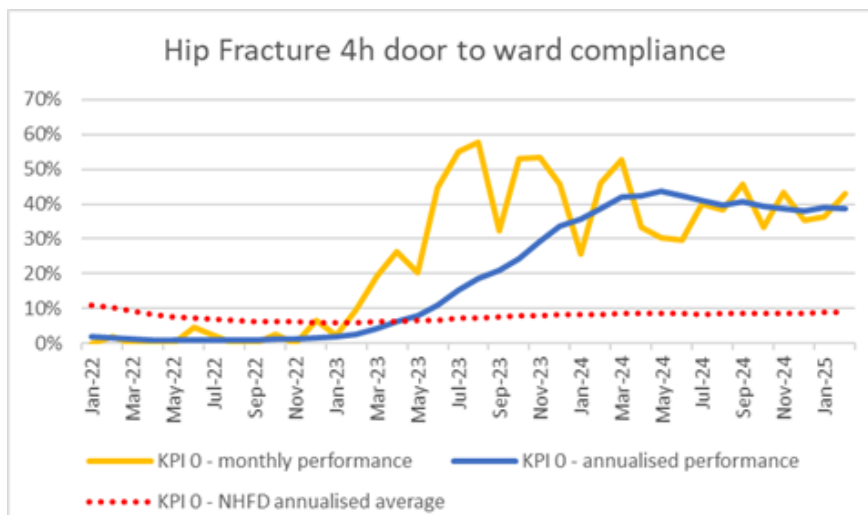


Image 9 shows the improvement that has been maintained in ensuring that patients with a hip fracture are admitted to the ward within 4 hours. The graph shows how our performance in each month has far exceeded the average from the top performing hospitals across the UK in this measure.

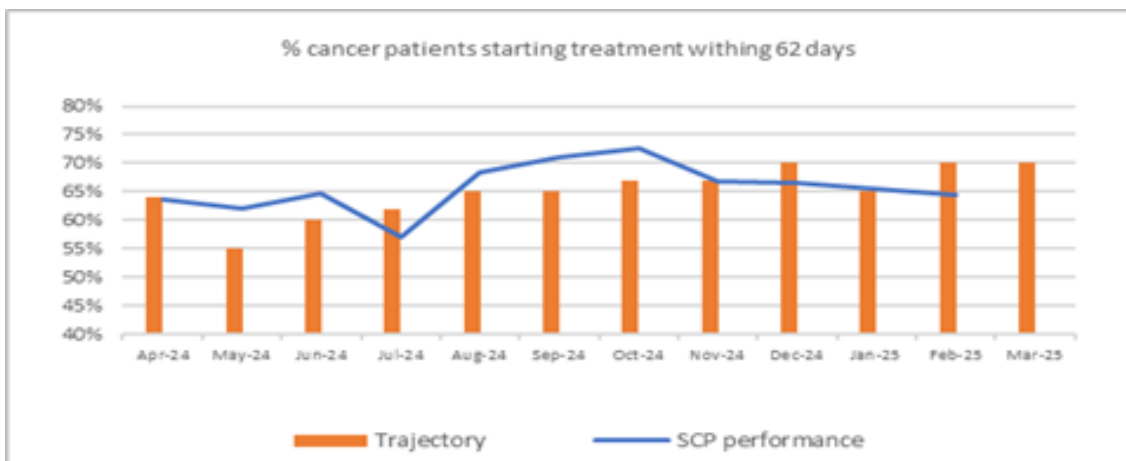
**Image 9 – Hip fracture patient admission to ward within 4 hours**



## Cancer

Delivering excellent and timely cancer care is a key operational focus and we are again proud to be the biggest performing Health Board for aim of starting treatment within 62 days of referral. Whilst not meeting our ultimate ambition to be consistently above 75%, we have been ahead of our trajectory for the majority of the year and achieved over 70% in both September and October 2024. Our focus moving forward is on ensuring our teams have the capacity and best practice pathways necessary to consistently meet our ambition.

**Image 10 – cancer patients’ treatment within 62 days**



## Planned Care and Diagnostics

We have continued to focus on reducing waiting times for patients across planned care and we are proud that despite the challenging operational position our waiting list times are now at the lowest point since 2021. Despite this improvement we are clear that 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.

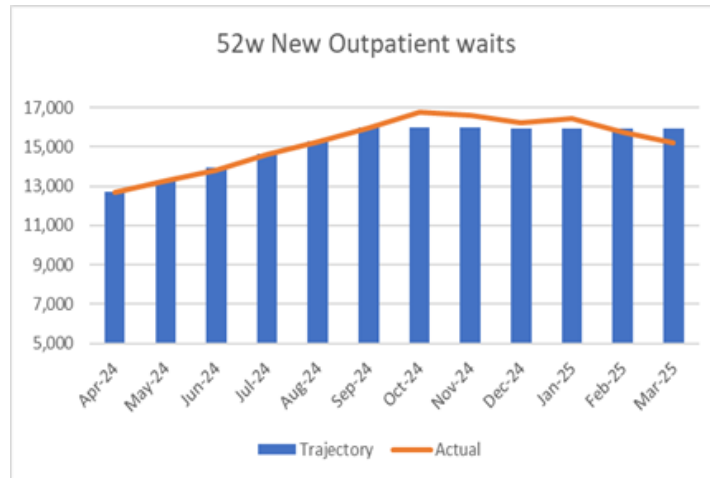
At the end of March 2025 there were 151,226 patients on a Referral to Treatment (RTT) waiting list. This is an overall increase of approximately 4,000 patients when compared to March 2024. The number of children on an RTT waiting

list has increased from 10,697 in March 2024 to 11,108 in March 2024. In regard to the longest waiting patients, the Health Board reduced the number of patients waiting over 2 years for treatment down to 1,615 at the end of the year which is lower than the original 4,800 that we originally forecast when developing our annual plan and lower than the 2,681 patients who had waited over 2 years at the end of March 2024.

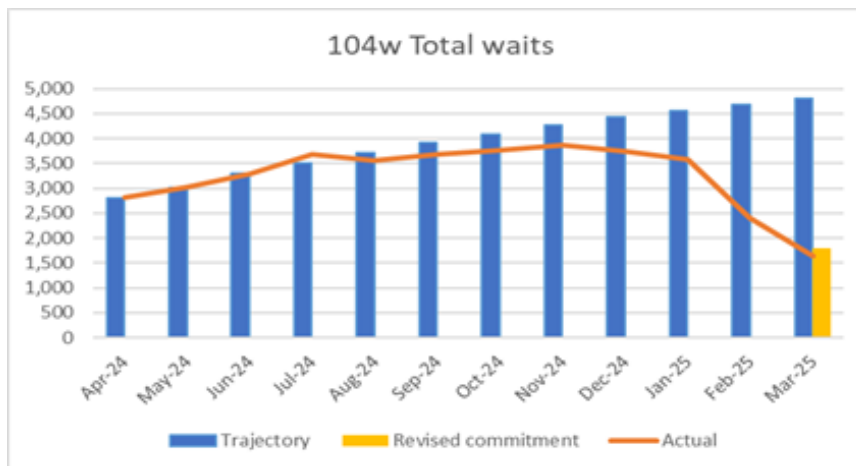
As forecast, we have increases in the number of patients who are waiting longer than 52 weeks for a new outpatient appointment and reducing this number will be a focus, and a challenge, for our 2025-26 planned care plan.

Further detail on our waiting time performance can be found in images 11 and 12 below.

**Image 11 – number of patients waiting longer than 52 weeks for a new outpatient appointment**



**Image 12 – number of patients with a total wait longer than two years**



Our waiting for diagnostic tests is one area in which we have not delivered the timeliness of care we aspire to for our patients. Whilst we foresaw this challenge, and our performance has been ahead of our trajectory we have too many patients waiting longer than 8 weeks. Some of our longest waits are within our non-obstetric ultrasound service and we are pleased to have developed

a plan to reduce these over the next year. Endoscopy is also a speciality with a significant challenge with our capacity being used for cancer, urgent and long waiting surveillance patients. We are working closely with regional partners and in conjunction with Welsh Government colleagues to put plans in place to address this moving forward.

**Image 13 – Diagnostic Waits**

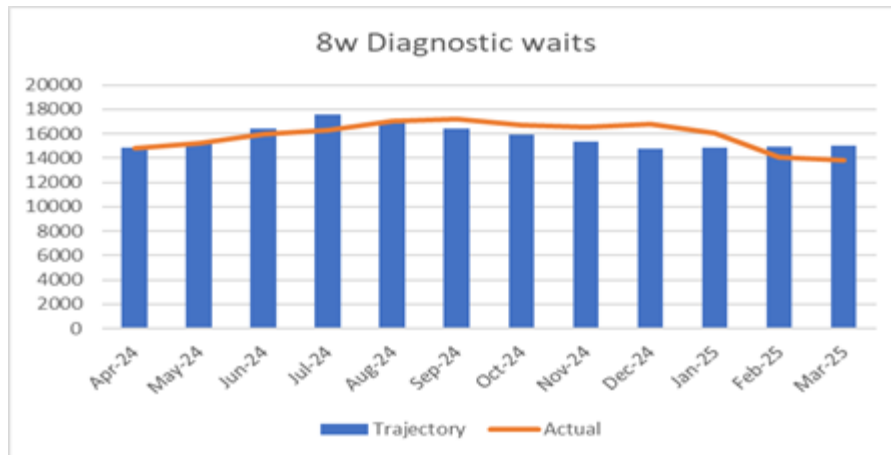
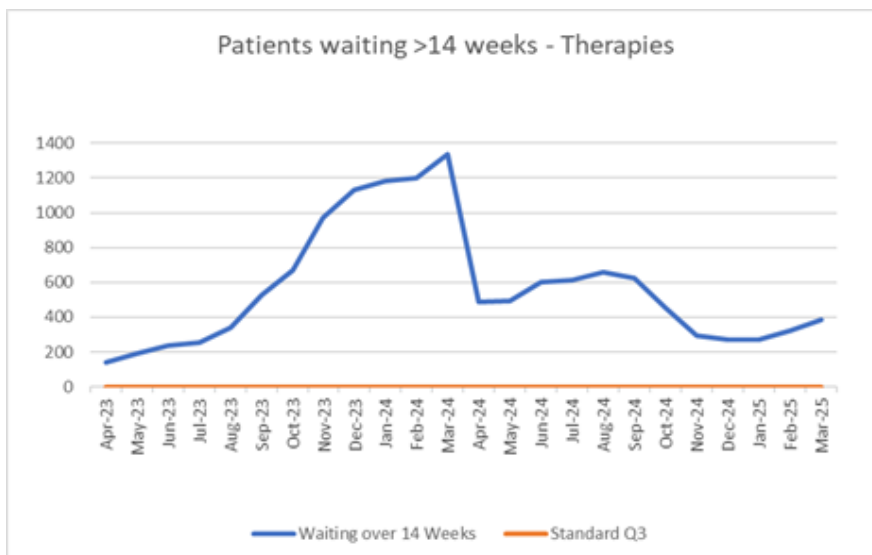


Image 14 shows the reduction in the number of patients waiting longer than 14 weeks for therapies which has reduced from 1,337 in March 2024 to 384 in March 2025

**Image 14 - >14-week therapy waits**



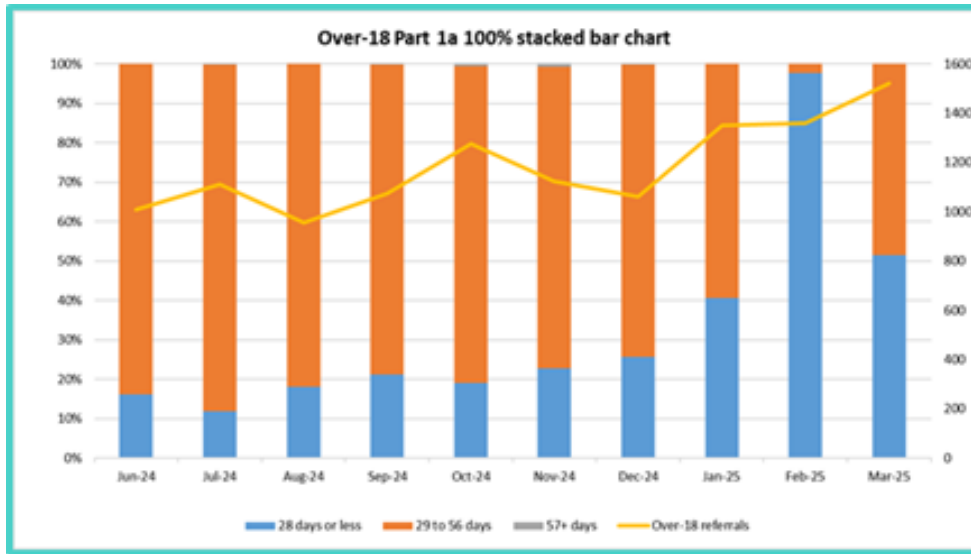
## Mental Health

Demand for Adult and Children’s Mental Health Services has continued to be high, for example referrals into adult services over January-March 2025 were the highest ever received, in a month which traditionally sees lower than average referral rates. Through the last year our teams worked hard to recover below standard performance of assessment times, we were delighted to return to

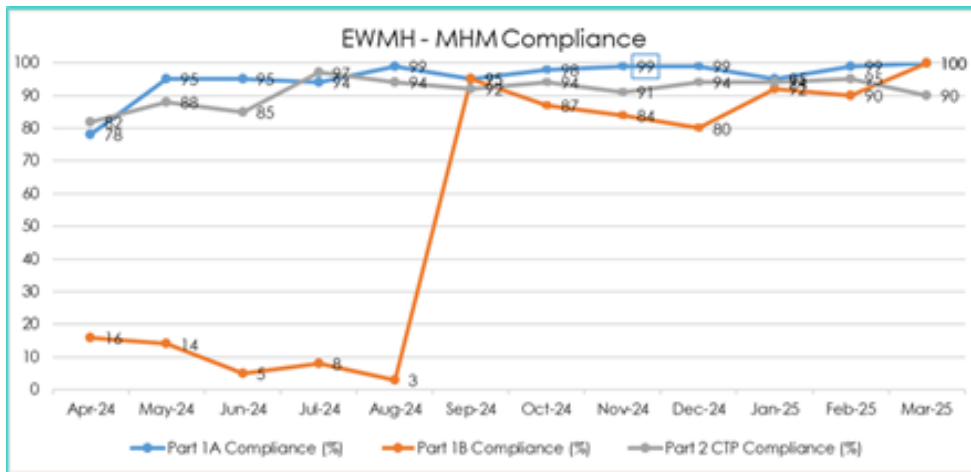
standard in February 2025 however we forecast another challenging year due to demand.

Within Children’s Emotional Wellbeing and Mental Health, we set ourselves a trajectory to recover our 28-day intervention performance and this was delivered in September 2024 and has been maintained.

**Image 15 – 28-day assessment standard in adults**

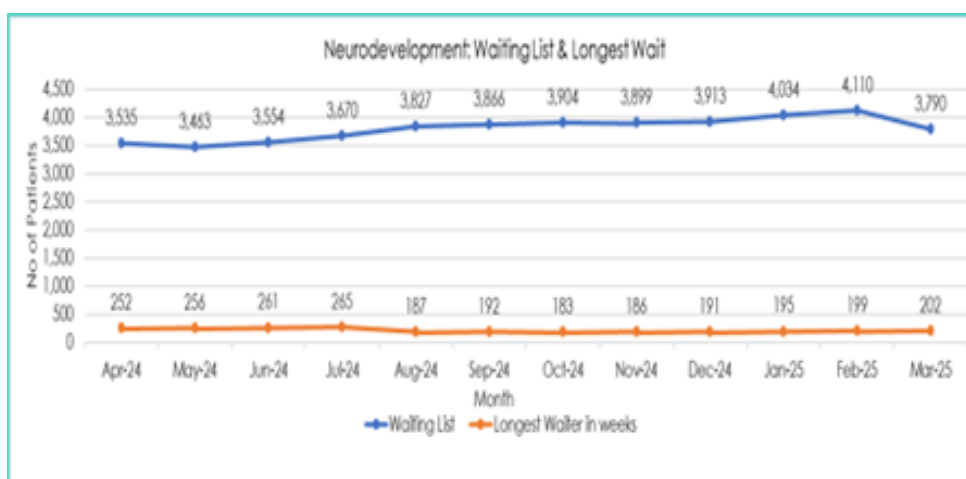


**Image 16 – Children’s Emotional Wellbeing and Mental Health Performance**



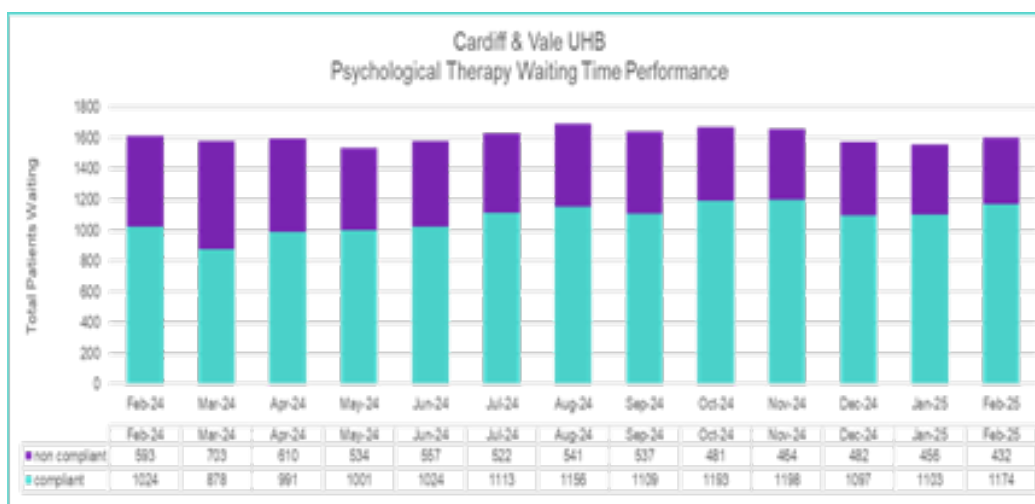
Neurodevelopmental services provide multidisciplinary assessment, intervention, information and advice for children and young people who may have a neurodevelopmental disorder, and their families. Since the start of the pandemic the referrals to these services have increased significantly and this has led to patients waiting a long time for assessment. Our teams have implemented a number of improvements in 2024 and we are working closely with the national programmes, however our waiting times, whilst improved, the position continues to be challenging.

**Image 17 – Neurodevelopment Waiting List and Volume (Children)**



Psychological Therapy services have seen a stabilisation in the number of patients on their waiting lists and an increase in the proportion of patients waiting less than 26 weeks for an appointment.

**Image 18 – Psychological Therapy Waiting Times**



## Primary and Community Planned Care

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. We are pleased to report that the volume of GP practices reporting high escalation levels have reduced in recent months and we continue to work closely with primary care colleagues to improve care for our residents.

Some key performance measures include:

1. 100% of all eligible community pharmacies providing Clinical Community Pharmacy Services
2. 100% of pharmacies providing a Clinical Community Pharmacy Service
3. 100% of GP practices achieving the core access standards (in hours)
4. 99% achievement of dental contract volumes
5. Over 40000 community nurse visits

## 3.7 Quality Performance Analysis

Quality is at the heart of all that we do – our services must be safe for our patients and provide good patient experience and outcomes. We recognise the importance in ensuring we have a key emphasis on quality in the services that we deliver, and we are creating a culture that is committed to learning and continuous organisational development through measurement of evidence-based practice to deliver demonstrable improvements in patient care.

### Clinical Audit

Cardiff and Vale UHB is committed to delivering effective clinical audit in all the clinical services it provides. The Health Board sees clinical audit as essential to continually evolve, develop and maintain high quality patient-centred services. The organisation has adopted a policy on the governance and practice of clinical audit, which applies to all staff. Achieving the objectives set out in this strategy will ensure that the UHB policy is implemented and effective, resulting in sustained improvements to the quality of care provided to patients.

In 2022 the Health Board published a three-year clinical audit strategy. The aim of this strategy is to use clinical audit as a process to ensure clinical quality at all levels of the organisation over the next three years. The Health Board clinical audit forward plan incorporates all mandated national clinical audit as well as Tier 2 clinical audits undertaken to support assurance and inform quality improvement relating to quality and Patient Safety. The Health Board's Clinical Effectiveness Committee oversee performance around the delivery and outcomes of national clinical audits. Results and areas of improvement work are presented to the Committee.

### Quality Improvement Initiatives

Continuous quality improvement is a fundamental component of the Duty of Quality implementation in the Health Board. Quality improvement initiatives encompass a wide range of activities, including clinical audit programs, staff training and development, patient feedback mechanisms, and service redesign projects aimed at optimizing patient outcomes and experiences.

The Health Board launched the Shaping our Future Quality Excellence Programme Board this year to drive wide reaching programmes of improvement that include infection prevention and control, development of a quality management system, continuity of the clinical pathway from referral to discharge and recognition and escalation of the deteriorating patient.

The Quality Committee receives regular Quality Indicators reports, aligning with the Duty of Quality Act and Safe Care. These reports cover incident reporting, mortality, maternity outcomes, infection control, ambulance handover times, patient experience, stroke pathway compliance, values-based healthcare, health inequalities, and person-centred concerns and feedback statistics. Work has commenced to develop further quality indicators that can provide insight into the quality of care provision across each health and care quality standard with an aim to include measures of staff experience, equity of care provision and outcomes, patient reported outcome and experience measures.

Further information in relation to our quality improvement initiatives is set out in our Annual Quality report for 2024-25. This also includes a review of Theatres which was undertaken in 2024-25.

## Learning from Mortality

This year we have implemented a multi professional mortality review panel to consider all referrals received from the Medical Examiner. The panel has identified a number of themes, including the need for greater awareness and utilisation of mental capacity assessments to support care decisions. In 2024-25 we have mandated a national consent training module for all health professionals within the organisation to raise awareness. The development of a Health Board mortality dashboard this year will support each of the Clinical Boards in reviewing their mortality data, correlating mortality with a number of other indicators including where patients are cared for, the length of time taken to admit a patient and the times of day that they are transferred between wards.

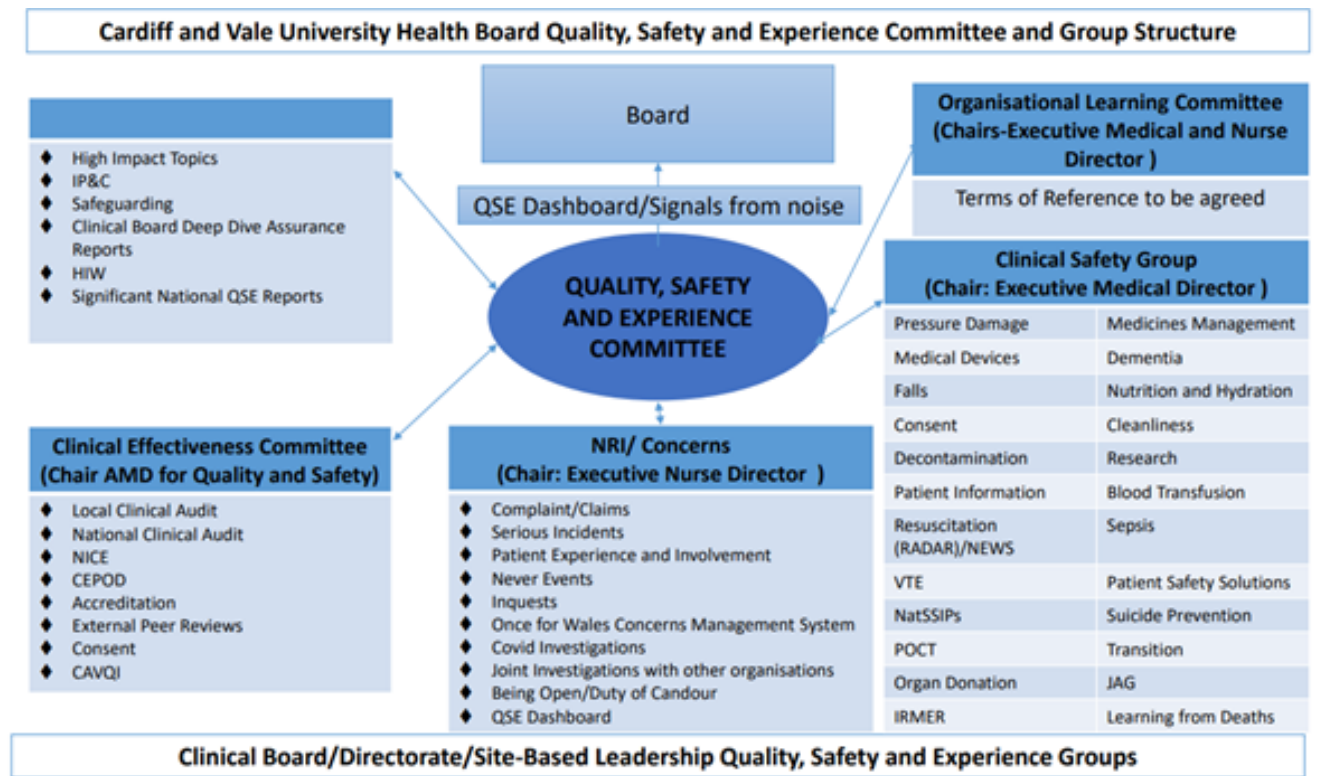
## Electronic Prescribing Medicines Administration (ePMA)

In March 2025 the first wards in the Health Board will start 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 the Health Board 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.



**Image 19 – Quality, Safety & Experience Committee Group Structure**

### 3.8 Patient Experience

Cardiff and Vale University Health Board is dedicated to delivering high-quality services in alignment with our strategic objectives, with a strong focus on enhancing patient experience. While we strive to do what is best for our patients, we recognise that there have been times when we have fallen short. That is why listening to feedback is crucial for continuous learning and improvement.

Patient experience encompasses every aspect of both clinical and non-clinical care, including the care environment, staff attitude and communication, teamwork, accessibility, involvement in treatment decisions, and our responsiveness in addressing concerns. It also reflects our commitment to treating patients with honesty, dignity, and respect across all services within the Health Board.

In 2025, the People's and Communities Framework will be introduced as a self-assessment maturity matrix, enabling organisations to assess their current position and create a forward-thinking improvement plan. Over the past year, our organisation has been working to define the necessary steps for delivering this framework.

This framework will apply to all services provided by NHS Wales organisations, including commissioned services. Quality and experience indicators must be embedded into all commissioned service agreements, with data collection playing a key role in contractual monitoring and compliance.



The People's and Communities Framework aligns with key regulations and legislation, including:

The Health and Social Care (Quality and Engagement) (Wales) Act 2020 (Duty of Quality and Duty of Candour)

The National Health Service (Concerns, Complaints, and Redress Arrangements) (Wales) Regulations 2011

The Public Services Ombudsman (Wales) Act 2019

The Well-being of Future Generations (Wales) Act 2015

The Equality Act 2010

The Socio-economic Duty

Listening to and learning from people's experiences is a fundamental aspect of these regulations.

People's experience refers to the perceptions formed when interacting with NHS Wales services, functions, and programmes. This includes experiences in hospital wards, outpatient clinics, national screening programmes, primary care services (such as GP, optometry, pharmacy, and dental care), health

promotion initiatives, and events hosted by NHS Wales organisations.

The successful integration of experience feedback relies on local expertise and resources.

People's Experience principles should be considered in alignment with the Duty of Quality.

Under the National Health Service (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011 (known as Putting Things Right or 'PTR') the Health Board is required to provide assurance and evidence to the organisation's community and stakeholders that we are continuing to deal with and learn from concerns.



### Total number of complaints received

Total = 3471

Formal = 2324

Early Resolution = 1147

### Top Themes arising from Complaints

#### Top 10 Primary Subjects in rolling 12 months



### Percentage of formal Complaints responded to in 30 working days (NHS Delivery framework target of 75%)

74% closed within 30 working days (including Early Resolution)

### Never Events

12

### Nationally Reported Incidents

187

### Legal Claims Registered

134 new claims (Clinical negligence and Personal Injury)

### Public Service Ombudsman requests for a further response

3

### Compliments received

593

### 3.9 Patient Feedback

#### Patient Feedback

We have continued to gather feedback from patients using our services during 2024-2025, with some key activity listed below;

- ✓ We use the All Wales Civica system and this can send up to 1000 SMS messages to people per day to gain their feedback. In the past 12 months we have sent **175,146 SMS (routine and bespoke)**, the completed rate is approximately 16%.

#### Tell us in 2 Survey

##### What do we do?

- ✓ Posters, stickers and signs are placed around hospital sites and at bed sides displaying a QR code, inviting patients to share their recent experiences of our services

- ✓ QR code gives the individual access to the "Tell Us In 2" survey - a short 2-minute anonymous questionnaire which can be completed in English or Welsh
- ✓ We have developed surveys in BSL and other languages
- ✓ We have developed animation surveys for children
- ✓ Questionnaire asks for open and honest opinion of patient experiences so the Health Board can share compliments, best practice or suggestions, to learn from experiences and help shape services for the future.
- ✓ The word cloud below based on the comments received in our feedback from our Tell us in 2 survey. The green highlights positive sentiments and the red highlights negative sentiments.



## What You Said, What We Did, Initiatives for 2024-2025

### YOU SAID:

- St David's hospital staff highlighted the benefit of loaning the interactive touchable screen for their patients.

### WE DID:

- We worked with clinical engineering to transport a device to the hospital, set it up and it is being loaned and used by 3 wards at that site, including mental health matters with their group sessions.



Image 20- Interactive touchable screen for patients in St Davids Hospital

### YOU SAID:

- Following an information meeting with LPOP (Liaison Psychiatry for Older People) about Voluntary Services, it was discussed that LPOP staff can visit patients who may not have family living nearby or who do not have family able to visit and would benefit from a volunteer companion.

### WE DID:

- LPOP are now able to 'refer' a patient-to-Patient Experience, and we can assign this to a volunteer who will then prioritise a visit during their shift.

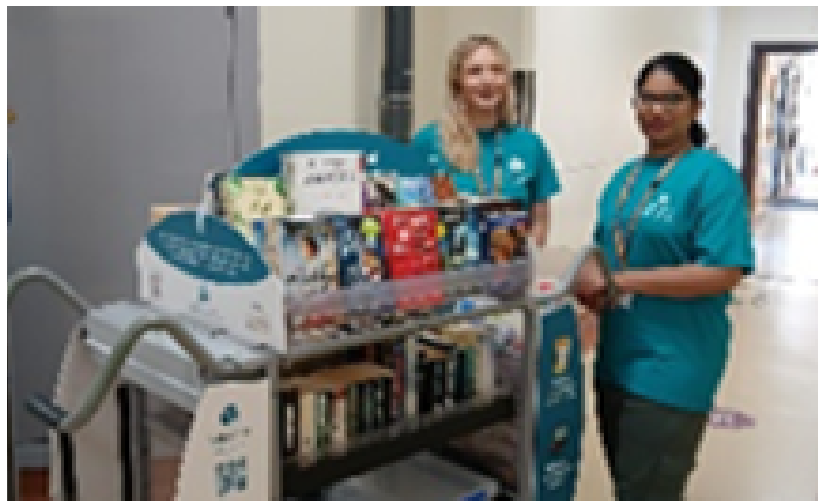


### YOU SAID:

- Bring the library trolley back to University Hospital Llandough.

### WE DID:

- Recruited volunteers to support the library trolley – three volunteers started in November 2024.



**Image 21- Library Trolley in University of Llandough**

### From a staff perspective:

The Digital Stories Lead was approached by many members of staff asking for Digital Stories Training, following these conversations a training package was devised of two levels of training—basic and advanced (including video editing skills)—with the first course delivered in October 2024 and another scheduled for 21 January. This will enable real-time feedback to be gathered from patients during their clinic visits, providing immediate insights into their experiences. “Lived experience” refers to the unique

and personal perspectives individuals gain through direct involvement in specific situations. It encompasses real-life experiences, emotions, challenges, and lessons learned, shaped by a person’s background, culture, beliefs, and personal circumstances. In areas such as healthcare, social services, and advocacy, lived experience is highly valued for its authenticity and ability to provide meaningful insights that inform decision-making.



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

As part of our routine annual planning cycle during 2024-25, we reviewed our organisation's well-being objectives, confirming no change to the objectives for the year. Our objectives remain the four high-level strategic objectives in our long-term strategy, Shaping Our Future Well-being.

Delivery of our strategy through our IMTP and/or annual plans, and monitoring through existing performance structures, is our mechanism for delivering our well-being objectives.

The strategy and objectives were developed following extensive consultation and feedback from local residents, partner organisations, and our staff. The strategy itself is underpinned

by the principles of prevention and participation, and we have set clear milestones through to 2035 for improving health, reducing inequalities, and shifting more of our spend upstream towards prevention.

### **3.11 Governance Arrangements Relating to the WFG Act**

Implementation of the Act in the Health Board 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. While all portfolios will contribute across a number of goals, the principle goals covered by each portfolio are shown below. Our objectives also align with the objectives of the two Public Services Boards we sit on.

Well-being objective/ strategic programme	Strategic portfolio(s)	WFG goal(s) responsible for
Putting people first	People and culture	A prosperous Wales A Wales of vibrant culture and thriving Welsh language
Providing outstanding quality	Population health and places Quality and value Clinical services	A healthier Wales A more equal Wales
Delivering in the right places	Infrastructure	A Wales of cohesive communities
Acting for the future	Future generations	A globally responsible Wales A resilient Wales A prosperous Wales

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. When developing our IMTP or annual plan, we weave the requirements of the Act through the plan, and our decision-making processes require us to consider the implications of the legislation when making our decisions.

Prevention is embedded throughout our work, including our long-term public health plan and annual public health plans.

### 3.12 Progress Against our Well-Being Objectives

Because our corporate objectives are our well-being objectives, 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.

### 3.13 Case studies for 'Long-Term' and 'Prevention'

#### Smoking and vaping prevention event

The Cardiff and Vale Public Health Team hosted a **Smoking and Vaping Prevention** event for children and young people at Cardiff City Stadium on 26 November 2024. The event aimed to support secondary schools and professionals working with young people by providing them with the latest strategies, resources, and research to address smoking and vaping within schools and community settings.

### Key topics covered included:

- Updates on legal and policy developments
- Emerging trends and research on youth smoking and vaping
- Effective smoking and vaping prevention strategies
- Practical classroom resources
- Support services to help young people quit smoking and vaping

The event was a great success, with over 65 attendees, including schoolteachers, police officers, youth service workers, and school nurses. A marketplace was also set up, featuring six stalls showcasing support services available to assist children and young people with smoking and vaping advice. These included Cardiff and Vale school nurses, Help Me Quit, the School Health Research Network, community pharmacy, ASH Wales, and the police.

### Hepatitis C engagement and awareness-raising

The Health Board is working with the Welsh Government and other partners to try and eliminate hepatitis C as a public threat by 2030. New medications have revolutionised the treatment of hepatitis C so that it is now curable in over 98% of people.

However, a stigma around the condition remains. In response, the Communications Team worked with clinicians specialising in blood-borne viruses (BBV) to source a suitable case study to try and promote the experience of living successfully with the condition. An individual contracted hepatitis C unknowingly after getting a tattoo on his arm around 20 years ago and ended up with cirrhosis of the liver and could

have died. With the help of a clinical nurse specialist in blood-borne viruses, a [written and video piece was created](#) to help highlight the key symptoms of hepatitis C and the importance of getting tested.

This revised governance approach will be implemented from Q1 2024-25, with continued leadership by the Executive Director of Public Health, and liaison with the Office of the Future Generations Commissioner, both integral to our approach.

### 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 2024/2025, we continued to work to improve and strengthen our compliance to the Welsh Language Standards.

All Standards have been reviewed by the Health Board which uses the Microsoft List software to monitor the implementation and progress of our actions to meet 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 has revised the compliance level of the organization and introduced a new assessment system to evaluate our 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.
- The People and Culture team are working with all areas to ensure that the organisation is able to offer a higher level of assurance in relation to compliance with the Standards during 2025/2026.

Key activities which have taken place in 2024-25 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.
- Mainstream the Welsh language into the recruitment process.

- 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 to encourage staff members to sign up to other Welsh Language learning opportunities available.
- Continued to develop Rhwydiaith, which is a staff network for the Welsh language users of all levels throughout the Health Board.
- Working with Clinical Boards to improve the Welsh Language service they provide for the patients and service users.
- Welsh Language Translation Team have continued to provide an effective translation service for the Health Board, having translated over one million words last year.
- No complaints received during in 2024/2025 from the Welsh Language Commissioner. The Health Board continues to work closely with the Welsh Language Commissioner's Office to resolve outstanding matters from previous years.

### Workforce Welsh Language Skills registered 2024-2025

Total number of vacancies advertised 2024-2025 as:	
Welsh language skills are essential	0
Welsh language skills are desirable	2005
Welsh language skills need to be learnt when appointed to the post	0
Welsh language skills are not necessary	35
<b>Total Number of vacancies advertised 01/04/2024 - 31/03/2025</b>	<b>2040</b>

## 3.15 Sustainability Report

### Environmental Sustainability

Delivering on our responsibilities to reduce our carbon footprint has been a priority for the Health Board since acknowledging the climate emergency in January 2019.

The impacts of climate change are already being felt globally including extreme weather events, sea level rises, mass species loss and extinction events. These impacts will have dramatic effects in the UK and Wales impacting infrastructure, food availability, health and migration. Cardiff & Vale University Health Board recognised that urgent measures are necessary to safeguard our planet and ensure a sustainable future for generations to come.

The need to safeguard our planet is also recognised under our revised Shaping our Future Wellbeing Strategy [2023-2035 strategy: Living Well, Caring Well, Working Together](#), and has set an ambition to reduce emissions in our control by 40% by 2027, 68% by 2035 and achieve carbon neutrality also by 2035.

Cardiff and Vale University Health Board 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 Health Board.

As referenced below, the Health Board has a Decarbonisation Action Plan for 2024-2025 which sets out carbon reduction

delivery plans, with key areas of focus around facilities, digital, estates, capital, and corporate activities. These have been derived from risk assessments in accordance with emergency preparedness and civil contingency requirements under the Climate Change Act.

In March 2024, our Board approved our 2024/25 Decarbonisation Action Plan. This goes further than ever before in recognising the levers that need to be pulled to manage and reduce our carbon emissions. It has been usual to update our decarbonisation plans annually, however with the one we have at such a level of sophistication and the realities of how to get to net zero by 2035 being worked through, it has been decided to roll the plan over until later in 2025, whereupon it will be decided whether a new plan will be created.

### 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. The Health Board is an active participant in this work.

## Cardiff and Vale Health Charity Impact

The Health Board's Health Charity have supported an award-winning programme to improve our environment, linked to our Biodiversity Plan. The development of the Orchard and Horatio's Garden at University Hospital Llandough, and the meadow project at UHW are examples of the great work being done to use our outside green space for the health and wellbeing of our patients, staff and visitors.

## Progress and Successes in 2024/25

- Over the course of the year, we have seen more engagement from clinical staff on decarbonisation agenda, where membership of our Cardiff and Vale Green Group have grown, we have leaders appointed in Nursing, Therapies and Clinical practices, plus a number of champions across the organisation.
- We also have seen departmental green groups activate, including ICU, EU, Dental, Clinical Diagnostics and Therapies, the Therapies profession and anaesthetics to name a selection. Therapies, an organisation of c900 people have their own action plan.
- A number of projects are being implemented within departments. Notable examples are:
  - ✓ In our Intensive Care Unit (ICU) department, where they've gathered a comprehensive view of their carbon impact and are slowly working through opportunities to save carbon. A recipe book has been created in collaboration with the Faculty of Intensive Care Medicine, UK Critical Care Nursing Alliance and University of Brighton to inform critical care departments

across the UK on how to reduce their carbon footprints.

- ✓ Our Value Based Healthcare team are continuing to embed decarbonisation into their programme and a number of projects are expected to deliver in the coming year.
- ✓ The role that prevention can play in lowering carbon has been acknowledged and included in the 24/25 action plan. An action around the carbon that could be saved through Diabetes prevention (amongst other things) is currently being progressed.

## Action Planning

The Health Board's vision is to be an exemplar in the delivery of sustainable healthcare, setting the pace that others will follow and learn from. Low environmental impact will be a business-as-usual consideration where all of our colleagues will be encouraged to make changes to working practices that will see our carbon emissions reduce initiative by initiative.

Our latest action plan builds on our experience since 2020, in particular how a step change can be made in avoiding new and reducing existing emissions. A separate climate adaptation plan will be published to manage the risks of the changing climate already being experienced.

It has been our experience that initiatives to reduce our carbon emissions tend to deliver small results. To exemplify, even a 50% reduction in our electricity consumption would reduce our emissions by just 2%. Therefore, action is needed across a wide range of areas by a large

number of people in order to have the impact required. A cultural shift is therefore required so that all 16,000 colleagues understand the responsibility to act and make a number of small but frequent contributions that make a difference. The Health Board needs to create the environment from the top which will equip and encourage our colleagues to make a difference.

Measurement of the overall macro impact of this plan will come through the annual reporting that gets delivered to Welsh Government each September, where a year-on-year comparison can be made.

A summary of the actions contained in the plan include:

- Through a diabetes prevention programme, track the carbon saving potential
- We will monitor the carbon avoidance/savings from our high priority operational programmes such as the 6 Goals of Urgent and Emergency Care
- We will publish a climate adaptation plan
- We will continue to build decarbonisation into our key decision making.
- We will continue to ask our Executive team to take an annual objective to reduce carbon emissions.

These actions, taken together, will enable us to establish the environment for the organisation to deliver emissions reduction and develop the culture within the organisation, with the aim that every one of our employees is acting to contribute to the achievement of carbon reduction. Improvements in carbon literacy, leadership, supporting transition and some carbon savings will be achieved by the end of this plan.

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

The Health Board considers climate change to be a principal risk, and has therefore complied with the TCFD recommendations and recommendations disclosures around as set out below:

### Governance

The Senior Responsible Officer for decarbonisation is the Executive Director of Finance.

During the course of the year, the BAF was updated to include Sustainability as a Strategic Risk. This includes how the UHB is performing against Welsh Government targets to reduce emissions and climate impacts.

With our corporate strategy Shaping our Future Wellbeing refreshed, the way in which strategic programmes will be governed has been reviewed during 2024-25 in order to deploy strategy effectively. The Strategic Portfolios have now been fully established to ensure effective delivery of the actions and plans set to achieve the strategic objectives. This mechanism will be subject to on-going evaluation and adaptation as required/indicated and this offers even more opportunities to drive forward the Sustainability agenda.

### Risk Management

It is recognised that climate change should be considered a Board level risk, as such the BAF has now been updated to include Sustainability as a Strategic Risk. Further work will be underway during 2025-26 to identify Risks from the work that will be derived from the climate change adaptation working group by the Public Health Team

## Metrics and Targets

It cannot be said that metrics are used per se to identify climate related risks. Projects have tended to commence through individual clinicians recognising an opportunity to make a change which will have a climate benefit. These often originate through their peers elsewhere in the UK, or where alternative approaches are known.

Scope 1-3 emissions are disclosed below;

Scope 1: 26,366 tonnes

Scope 2: 2,975 tonnes

Scope 3: 150,785 tonnes

The NHS Wales set a target to reduce emissions (all scopes) by 16% by 2025 and 34% by 2030. There is no line of sight to the achievement of these target.

The Shaping Our Future Wellbeing Strategy has set an ambition that emissions under the control of Cardiff and Vale should reduce by 40% by 2027 and 68% by 2035. A plan is to be developed this year to understand how to tackle the 40% ambition.

Year on year emissions levels are calculated annually each September for submission to Welsh Government. A single method is used across the whole Welsh public sector to ensure consistency.

This is in line with the central government's TCFD-aligned disclosure implementation timetable for Phase 2.

## Carbon Reduction

The Health Board is committed to trying to achieve the challenging targets set out in the NHS Wales Decarbonisation Strategic Delivery Plan, which sets out a series of aims and initiatives for Health boards in Wales to address in order to contribute towards Wales decarbonisation targets, including the aim for the public sector in Wales to be net zero by 2030.

The organisation uses the emissions measurement method required by Welsh Government in order to calculate its carbon emissions.

It is estimated that the Health Board has generated c180,126,000 tonnes CO<sub>2</sub>e in 2024/2025. This is a reduction of around 20% in the past year, attributable to more mature methods of reporting our scope 3 emissions as opposed to deep carbon reduction initiatives making inroads.

Since 2018, for the emissions that are under the control of the Health Board (scope 1 and scope 2 emissions), it is estimated that carbon emissions have reduced by around 7%. Emissions are broken down in the following categories for 2024/2025:

Sector	Emissions (tonnes CO <sub>2</sub> e)	% of total emissions
Buildings	32,009	18%
Streetlighting	78	0.04%
Fleet and equipment	437	2%
Commuting	5,522	3%
Business travel	658	0.4%
Waste	1,596	0.9%
Supply Chain	137,859	77%
Medical gases	1,967	1%
<b>Total</b>	<b>180,126</b>	

By far the largest source of emissions at c77% come from the products and services used in order to deliver health services. Products and services include items such as medication, personal protection equipment, surgical devices, catering, etc. Everything needed to run a health service. To impact upon these emissions, action is needed across the breadth of our organisation.

The emissions for 2024/25 will be reported to Welsh Government in September 2025. It should be noted that the way in which emissions data is being reported upon is evolving. For example, currently emissions associated with a product are estimated based upon an emissions factor associated with the Standard Industry Code for the organisation that sells that product and the money spent on that product. An exercise has taken place within NHS Wales Shared Services Partnership to review how vendors are allocated with emissions factors which could cause movements in supply chain emissions for 2024/25 when reported in September 2025 versus 2023/24. Furthermore, eventually, it is the aim of NHS Wales to be able to report on the actual emissions of a product.

### Aims for 2024-2025

Our latest plan has built on previous plans but has evolved further. It is set out over a 3-year context, aligning with the 2027 ambitions of the Shaping Our Future Wellbeing strategy. Evolution has come about through the close study of the elements that make up our carbon footprint and simulating 'what if' scenarios against them to understand what needs to change.

The evolution can be described in the following three ways:

1. Even though the plan is focused on mitigating our emissions we have set out an action to begin to tackle the **climate adaptation** challenge, by publishing an adaptation plan. The need to do this is because despite our efforts to reduce emissions we know that planetary warming is now locked in and we will see more frequent periods of extreme heat and flooding, just as we already have in the last 12 months, and forecast to get worse. Extreme weather affects our estate, our staff and our residents, particularly the most vulnerable.
2. Being explicit about the role **preventing ill health** has to play in reducing our emissions. A new Prevention theme is presented with a specific intent to understand the carbon impact of prevention in the diabetes pathway initially. To create real change, we need a shift in our approach to health and healthcare, increasing the emphasis on preventing ill health and reducing the need for acute care. Doing so will create the greatest impact to our carbon footprint and environmental impact.
3. The final new introduction this year is the recognition that our efforts to be more **operationally efficient**, through our response to Welsh Government's '6 Goals of Urgent and Emergency Care' for example, are having an impact upon our emissions. Utilising technology, changing the ways our population receive follow-up appointments, helping patients get optimised for surgery to reduce the likelihood of complications are just some of the ways our existing operational initiatives can impact upon our carbon footprint.

## 4. Quality Governance Arrangements

An essential feature of our 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 the financial challenges in Wales are well publicised, progress continues to be made with digital plans as outlined in the Annual Plan and Assurance Committee reports. Examples of digital, data and technology achievements in the last year include:

### Digital roadmap priorities

We have a programme of works underway to extend WIFI in clinical areas in response to the needs of a number of strategic programmes including Welsh Nurse Care Record (WNCR), electronic prescribing and medicine administration (EPMA) as well as existing programmes such as Scan4Safety

All Health Board staff now have Microsoft Licences and access to corporate communications and as needed applications.

### Digital Foundations

Work has started on the development of a 5-year Digital Programme Business Case (PBC) called Digital Foundations. The PBC will be used to seek All Wales Major Capital Funding alongside a Business Justification case (BJC) for phase 1 of the 5 annual phases

- This work will deliver a clear trajectory, costs and plans on how the Health Board will improve its digital maturity ready to segue into national plans and arrangements for a modular Electronic Patient Record. Enabled by digital, data and technology, we aim as a whole system to make improvements in the following areas:
- Reduce mortality
- Improve clinical safety and drive quality improvement in practice
- Improve people's lives and life chances, their own and their families
- Develop targeted interventions that can help improve people's outcomes
- Supporting people to stay well in their own home
- Redesign processes so that they are fit for today as well as the future
- Support and contribute to research, innovation and the development of new treatments
- Help attract the best people to work with us to support our communities

## Regional Shared Care Record Views of Health and Social Care Data

To deliver integrated services to people, we need to develop shared care records ensuring the right data is available in the right place, to the right staff and in the right format.

The Health Board has supported the Regional Partnership Board's Digital Care Region programme, working with the Vale of Glamorgan Council and Cardiff Council to develop and host the Summary Care Viewer, a shared care record that integrates health and social care data for the purposes of direct care. The viewer is live and supporting Neurodevelopment services and the Vale Community Resource Team service.

- In 2025/26 the Summary Care Viewer is being extended to include data from primary and secondary care services. A number of new projects are being evaluated include support for child and adult safeguarding services and discharge from hospital.
- The Digital Care Region has initiated a new project to shared care plans between primary care and the Welsh Ambulance Service..
- Through integrating and sharing health and care data the Digital Care Regions programme will deliver the following benefits:
  - Enhanced decision making
  - Improved patient and staff safety
  - Reduce time spent finding information
  - Closer integration between health and care services
  - Improved quality of care and coordination of care

## Artificial Intelligence (AI) Enablement

The UHB has established a Microsoft 365 steering group in order to govern the non-clinical adoption of the Microsoft Co-Pilot tool. This group comprises a service lead from each of the Health Board's clinical divisions and corporate teams. Its business will consider the use cases and return on investment from the annual £300-per licence costs of that tooling.

Numerous licences are now in circulation across Corporate and clinical teams. A 'Clinical AI group' has also been established within the uHB as an embryonic 'A.I Council'.

The Clinical Design Authority (CDA) group has also determined to commission a group to author an A.I policy for the organisation (levering off Somerset and North Yorkshire models).

## Digital Support for Major Initiatives

Digital & Health Intelligence has continued to offer support to several major initiatives, with a focus this year on Electronic Prescriptions and Medicines Administration (ePMA) and the deployment of the Welsh Nursing Care Record (WNCR)

ePMA is a key part of the Digital Medicines Transformation Portfolio which aims to make the prescribing, dispensing and administration of medicines everywhere in Wales easier, safer, more efficient and effective, for both patients and clinicians. In addition, ePMA provides decision support functionality to help the safe prescribing and administration of medicines, such as allergy and drug interaction checking. It provides clarity on medicines administration scheduling and is easily accessible online, eliminating the inherent problems of

paper processes such as re-writing and searching for lost drug charts

ePMA provides a wealth of data on medicine prescribing and administration — with audit and reporting functionality, providing staff with useful information helping improve day-to-day working practices and patient care.

Our digital teams have worked to integrate this ePMA system into our core digital estate. Namely ensuring that we have reliable, mobile devices to be used at the patient's bedside, allowing secure connections to the ePMA platform at the point-of-care. Additionally, significant work has been underway to develop the platform to ensure it meets the diverse needs of Cardiff & Vale's Acute Services. There are also a large number of workstreams underway to ensure that information and data is shared securely and appropriately with our other relevant clinical systems.

WNCR is a digital system that is transforming the way nurses record, store and access personal information. Moving away from recording notes at a patient's bedside on paper notes to be able to use a wide range of technologies to record this information electronically. This includes mobile laptop carts, tablet devices, and any PC connected to the NHS Wales network. This allows nursing staff to input information wherever they need to.

By going digital, healthcare workers are able to access essential information to make informed decisions about a patient's care, no matter where that care is taking place. There's no need to search for paper notes or ask the patient to

repeat information they've already given, as the documents can be easily accessed in the WNCR. This is improving patient experience and giving more time for care.

Digitally, we have worked with clinical services and national colleagues to deploy the core platform into Cardiff & Vale. This includes onboarding mobile devices, installing specific hardware (laptop/tablet carts and charging cabinets), and also working with Nursing colleagues to ensure that any member of the nursing team needing access to WNCR is able to do so.

This has all been undertaken in a multi-disciplinary approach with colleagues across D&HI working closely with the Nursing teams to ensure that all the requirements outlined at the start of the project have been met.

## Planned Care - Patient Reported Outcome Measures (PROMS)

### What are PROMs?

Patient-Reported Outcome Measures (PROMs) capture patient perspectives on health status, quality of life, and treatment outcomes. Key uses include:

- Enhancing patient care by assessing symptoms, treatment effectiveness, and well-being.
- Measuring treatment impact beyond clinical indicators.
- Tracking disease progression for timely intervention.
- Supporting clinical decision-making with patient-reported data.
- Driving research and healthcare improvements.
- Maximizing value-based healthcare outcomes.

## Progress

As part of the UHB Value in Health Programme, the Health Board has transitioned from My Clinical Outcomes (MCO) to the Promptly platform, procured in October 2024. A migration plan has been developed in collaboration with the Value Programme and the PROMs Steering Group.

- The first service went live on Promptly in January 2025, followed by three more in February.
- The remaining 16 MCO-using services will migrate by April/May 2025.
- 58 additional services have expressed interest, with a rollout plan in development.
- A key focus over the next six months is integrating PROMs data into the Data Warehouse to enhance service insights and patient care.

## National Picture

Six Welsh Health Boards are adopting Promptly, with Swansea Bay, Hywel Dda & Cwm Taf Morgannwg already live, and Velindre and Aneurin Bevan in implementation. A collaborative national approach is driving PROMs adoption.

## Digital Energy Saving Configurations (DESC)

This is a project to roll out energy saving scripts to CAVUHB desktop devices. The NHS Wales Decarbonisation Strategic Delivery Plan requires a 16% reduction in Health Board CO2 emissions by 2025. Energy costs remain high following the energy crisis. Reducing the energy consumption of the digital estate contributes to meeting these challenges. Savings are achieved by reducing the number of the Health Board computers left idle overnight and on weekends. In the 4 months since October 2024 pilot start, we estimate over £130,000 has been saved in reduced energy consumption, the equivalent 115 tonnes of CO2.

## 5. Delivering in Partnership

In many areas, the Health Board 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)

The Health Board 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.

The leadership team for the RPB is comprised of:

- Charles Janczewski, CAVUHB Chair and RPB Chair,
- Sam Austin, Llamau Deputy Chief Executive and RPB Deputy Chair,

- Cllr Ash Lister, Cabinet Member for Social Services (Children), Cardiff Council and RPB Deputy Chair
- Cath Doman, Director of Health and Social Care Integration and RPB Regional Lead

The Health Board 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 c £19.2m and capital funding streams.

The RPB's annual report for 23/24 can be found here. The annual report for 24/25 will be published in June '25 and will be published here.

In the last 12 months, the RPB has achieved some significant milestones progress 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 (see page 83)
- ii) Capital developments – facilitating the delivery and funding of capital schemes across the partnership
- iii) Safe@Home - 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
- 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. Here is some of the work of the RPB in numbers:

- **Integrated Discharge Service, in 2024:**
  - Approximately 901 patients per quarter
  - Reduced Pathway of Care Delays by 13%.
  - Developing trust and culture across organisations
  - 78 admitted to step-down discharge to assess care home beds
- **Safe@Home:** our new multi-agency, multi-professional crisis response service. In 2024:
  - 870 citizens supported
  - 687 hospital admissions avoided
  - 870 supported
  - On average supporting 23 per week
  - 6522 bed days saved – the equivalent of around 18 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 12 children and young people on average per quarter in 2024.
- **Cluster-based working:** prevention-focused services including social prescribing – supported 54,521 people since 2022, averaging c.30,000 per quarter in 2024.
- **2 Staff with lived experience of learning disabilities:** awareness raising across 849 health professionals and engagement with 411 people with lived experience.

## 5.2 Regional Healthcare Services

The last twelve months has seen the Health Board continue to work with its neighbouring health boards (CTMUHB and ABUHB) and Trust (VUNHST) to develop and implement regional service models where it makes sense to do so in order to ensure that a service is sustainable, meets key standards, and delivers the best outcomes for patients.

Throughout 2024/25 the regional partnership has progressed the planning of the Welsh Government funded regional treatment and diagnostic centre in Llantrisant which has resulted in all partners now collectively agreeing the business case for the delivery of certain endoscopies at the site.

The partnership now also has active programmes of work which span Ophthalmology, Stroke, Diagnostics (radiology and endoscopy), Pathology and Cancer.

- During the last year we have seen continued progress with regards to Ophthalmology in particular where an interim regional solution for the high-volume, low complexity cataract service was implemented. This resulted in a regional patient treatment list (PTL) being adopted and implemented through a regional booking and scheduling service and,
- as at March 31 2025, no patient across South-East Wales waiting over 104 for their procedure.

## 5.3 Specialised and Tertiary Services

Over the last 12 months, the Health Board has strengthened its focus on

delivering safe, effective and sustainable specialised and tertiary services, through its Tertiary Services Development Group (TSDG) and the Regional Specialised Services Provider Planning Partnership (RSSPPP) with Swansea Bay University Health Board (SBUHB).

The two groups are administered by a small tertiary services team which is jointly funded by SBUHB and is responsible for delivering the partnership portfolio across both organisations.

### Tertiary Service Development Group (TSDG)

The TSDG has a critical role in providing advice to the Senior Leadership Board on the effective and efficient delivery of its wide portfolio of specialised services. To support this objective, in 2024 the group developed and implemented standard operating procedures which set out the criteria and processes for identifying specialised services, assessing and validating associated risks, making informed decisions on service delivery, responding to commissioner requests, and notifying commissioners of service closures. It is informed by the Tertiary Services Baseline Assessment which is refreshed annually.

### Regional Specialised Services Provider Planning Partnership

The RSSPPP has a key role in supporting the planning of specialised services for the populations of South Wales, West Wales and South Powys, including services which are not commissioned by the NHS Wales Joint Commissioning Committee (NWJCC). The group also provides regular briefings to the NHS Wales Chief Executive Management Team (CEMT), and has sought advice and

support on a number of initiatives over the course of the last year including:

- Finalisation and approval of the Service Specification for Specialised Infectious Diseases Services
- Implementation plan for Specialised Adult Endocrinology services
- Hepato-Pancreato Biliary Service Model Programme
- Proposals to develop a strategy and delivery plan for Therapeutic Apheresis

The tertiary services team has also worked closely with the NWJCC to inform:

- the development of the NWJCC IMTP by undertaking a risk assessment of specialised services in both organisations; and
- A partnership approach to the review of cardiac surgery services in South Wales.

Within the partnership portfolio, the tertiary services team has undertaken work across the following programmes:

- Oesophagogastric Cancer Surgery – Agreement on the high level patient pathway and service model for SBUHB
- Hepato-Pancreato-Biliary Service Model –Over the course of the last year, this has been redesignated as a programme with three core stages:
  - o Stage 1 – Shared Delivery Network – this will be responsible for developing a supraregional approach to managing Severe Acute Pancreatitis and addressing any other gaps within the patient pathway.
  - o Stage 2 - Shared Delivery Directorate – this will supersede the network and will act as a single management team for the two services and will maintain project momentum.

- o Stage 3 - Fully Integrated Service – this will supersede the single management team and will comprise a fully integrated HPB service on one site, with a dedicated directorate team.

The aim is to establish the Shared Delivery Network in Autumn 2025.

- Gynae Oncology Surgery – A review and benchmark the current service model in South Wales was undertaken to inform the development of a safe, effective, and sustainable service model.

In addition to the partnership portfolio, the tertiary services team organised and supported the delivery of a clinical summit on Haemato-Oncology services for the population of South Wales, West Wales and South Powys.



## 6. Our People

### 6.1 People and Culture Plan

Shaping Our Future Wellbeing sets out our ambition to be a great place to train, work and live, where we listen to and empower people to live healthy lives. We want our colleagues to recommend us as a great place to work, and for our workforce to reflect the diversity of our communities. One of our strategic objectives is Putting People First - which includes our teams, patients and population - because we know that people are at the centre of everything we do.

The People and Culture Plan (2022-25) which was approved by Board in January 2022 is key to meeting this objective because we are completely dependent on our workforce if we are to meet our population's health and care needs effectively.

We continue to embed the Plan and in 2024-25 progress was made in the Clinical Boards, and corporately through the People and Culture team. We have seen significant successes and are on track in many areas against the delivery of the Plan, but we have continued to face a number of challenges and have focused on addressing these, concentrating on the Health Board priorities and ensuring that quality, improvement and efficiencies are at the forefront of our activities. As the 7 themes of the People and Culture Plan have become more embedded into our 'business as usual', it has become increasingly apparent that while they still stand as legitimate themes within the Plan, there is a great deal of cross over in terms of the day-to-day delivery. For 2024/25 the 7 themes were merged into 3 objectives which formed our priorities for the year.

#### **People feel valued, developed, supported and engaged**

- Improve the way, we communicate and engage with our people
- Understand and improve our culture
- Promote and improve the health and wellbeing of our staff
- Provide high quality education and development for our workforce

#### **Attract and recruit people with the right skills, abilities, values and experiences to meet the health and social care needs of our population**

- Maximise opportunities to attract candidates with the right values and behaviours
- Improve recruitment experience for candidates and managers
- Ensure we are an inclusive employer

#### **Ensure our services are provided by the right team: a workforce that is affordable, sustainable and integrated to meet current and future service needs and reflects our population**

- Build workforce planning capacity & capability underpinned by a standard methodology
- Improve the accuracy of our people data and move from reporting into analytics
- Embrace and develop systems that support the UHB in its drive to improve efficiency and effectiveness.
- Develop new ways of working to create a culture that breaks through system, sector and professional barriers

Our staff are fundamental to ensuring we can do what we need to do for our patients, families and communities. We are immensely grateful for all that our staff do and the hard work and commitment they continue to show. As an organisation employing over 17,000

people, we cannot just depend on bringing new people into our workforce; we need to improve how we retain, manage, develop and look after the wellbeing of our existing workforce.

## 6.2 Attract & Recruit

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

A large number of 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 overwhelming and many of those we communicated with would now consider pursuing a career with Cardiff and Vale UHB.

### Shortage Professions

We have worked closely with a number of 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 5%.

## Inclusive Recruitment

A key focus in 2024-25 has been to continue developing and maintaining close links with those groups within the local community that are not represented as well within our workforce. We also wanted to improve the opportunities for those who may perceive they have a disadvantage when applying for jobs against other candidates. As an anchor institution we are deeply rooted in our local community and use our influence to support economic and social well-being. As we are one of the largest employers in the region, we have a responsibility to create opportunities, promote inclusive employment and improve the lives of the people we serve. Given that Cardiff has significant areas of deprivation, our concentration is on projects within those communities.

Some of the key achievements over the past year have included:

- **DFN Project Search** – a one year, employment preparation programme helping people with learning disabilities and/or autism to gain knowledge and skills to gain permanent employment. Since the project **launched in 2021**, a total of **38 young people** has participated, with more than half of those who took part in 2023-24 gaining permanent employment as a result. Due to the success of the project, we have been nominated and successfully won numerous awards ranging from British HR Awards, DFN Project Search and People & Culture Department Awards.
- **Schools and Colleges** – We are partnered with Cardiff Commitment and Careers Wales to promote NHS roles to young people; we attended over 88 school and college events since the beginning of the 2024 academic year. In addition, we presented virtually to

over 2000 pupils to showcase the diverse roles and opportunities that the NHS offers, with many pupils in areas of deprivation. These events will plant the seeds of roles that are on offer for our future workforce.

- **Apprenticeships** – 2024-25 has been a good year for the Apprenticeship Academy, we have been highly commended as a large employer by ACT training at their 'Success through Skills' Awards and recognised as a Valued Business Partner by Cardiff and Vale College. . This year we have appointed 17 new recruit apprentices through administration, digital, Trainee Maintenance Engineer and expanded into our first Childcare offering., Successful discussions have taken place with our retail catering team and new apprenticeships will commence in the new financial year. We have had 9 apprentices who have completed their programmes and been offered either permanent or follow on roles in their host department or in another area.
- We are also working with partners the **Prison & Probation service, homeless sector, the care sector and refugee services** to support individuals gain work experience or employment opportunities which might not ordinarily be available to them.

## 6.3 Retaining our People

As an organisation employing over 16,000 people and functioning at a time where there are shortages in workforce supply, we continue to have a sustained focus upon improving how we retain, lead, develop and look after the wellbeing of our existing workforce. This has continued to be a key objective over the past year under the People and Culture Plan priority of 'people

feel valued, developed, supported and engaged'.

During 2024/25 the UHB has focused on understanding culture and leadership in different areas

- 2024/25 has seen a focus on culture and leadership which has been facilitated through implementation of the 'Culture and Leadership Programme' in priority areas throughout the UHB. A structured and evidenced approach, this programme has enabled teams to engage with colleagues to 'discover' how the workforce really feel about key components of their working life, while also identifying proactive and co-produced solutions to improve or learn from good practice.
- 2024 saw the re-launch of the Internal Career Development Programme. This programme provides a career development scheme for Band 5 Nurses seeking an opportunity within the UHB at the same band. Nursing staff can now forecast their career path through a transfer; allowing them to develop their clinical skills and knowledge whilst enhancing professional goals. In addition, duplicated efforts from all parties normally involved in a recruitment process will be eliminated in most cases or reduced (depending on specialty) and instead replaced with a streamlined and seamless process
- Listening to the feedback from staff has always been important and acting upon it even more so. In 2024, the UHB encouraged colleagues to participate in the NHS Wales Staff Survey through a range of communication channels including ward visits, attending night shifts, supporting completion via paper-copies, and support with using tablets to complete. This successful campaign

resulted in an increase in participation from 21.4% to almost 28%. The UHB are currently looking at the results from the survey and engagement sessions to ensure action and co-production of plans to improve are already scheduled for 2025-26.

## 6.4 Workforce Wellbeing

Promoting and improving the health and wellbeing of our staff has remained a high priority for 2024-25 and will continue to be a key theme as we move into 2025-25. In particular, we have focused on ensuring that managers feel equipped and supported to deal with this, with particular focus on supporting colleagues who are suffering with stress, anxiety and depression.

The People Health and Wellbeing Service plays an integral role in the continued development of support and provision for staff. In 2024-25 this has included:

- The continual provision of an in-house counselling service which has actively improved levels of wellbeing, while supporting people to feel well enough to return to work more quickly and/or stay in work. This year waiting times between Resource and Counselling appointments have fallen from 77 to 33 days (WG target 182 days), and the percentage of staff remaining 'off work' following employee wellbeing service intervention has decreased from 17% to 4%
- A range of newer evidence-based therapies available have been introduced and/or enhanced, including Interpersonal Therapy (IPT), Acceptance and Commitment Therapy (ACT), Eye Movement and Desensitisation Therapy (EMDR), and Solution Focused Therapy (SFT).

- With the continued concern around the 'cost of living' the Health Board has been pro-active in continuing to support its employees during these challenging times, this has included Promotion of a staff financial wellbeing pathway via Wellbeing Roadshows across the UHB and the ongoing promotion and engagement with the Financial Wellbeing Platform, Wage stream.

## 6.5 Equity, Diversity and Inclusion

The new Strategic Equality Plan (SEP) 2024-2028 outlines our commitment to embedding equality, diversity, human rights, and the Welsh language throughout the Health Board. This plan is closely aligned with our overarching strategies, including Shaping Our Future Wellbeing, the People and Culture Plan, our Intermediate Medium-Term Plan, and the Well-being of Future Generations Act 2015.

In 2024-2025, we continued our efforts to create a more inclusive organisation for our staff and communities. This included engaging with staff and community groups, raising awareness of inequalities through and awareness sessions, working collaboratively with colleagues across NHS Wales and the public sector, and celebrating the diversity of our workforce and community. Key updates during this period include:

- Creation and cross-organisation sharing of our fourth iteration of an Inclusion Calendar, which highlights key dates throughout the year to raise awareness and celebrate our diversity.
- Taking forward the Anti-racist Wales Action Plan through co-producing our Health Board Anti-racist Action Plan alongside our One Voice Staff Network and trade union partners.

- Started developing our LGBTQ+ Action Plan to align with the all-Wales version.
- Continued to advance our Anti-racist Action Plan.
- Received our first Workforce Race Equality Standard (WRES) report and began taking this forward.
- Continued supporting our staff networks and undertook a review of staff networks within the Health Board.
- Attended Pride Cymru alongside colleagues from across NHS Wales.
- Supporting the development of our staff networks including:
  - o One Voice Staff Network – for our staff from ethnic minority communities
  - o Access Ability – for our staff with disabilities and long-term health conditions
  - o LGBTQ+ Staff Network – for our LGBTQ+ staff
  - o Rhwydiaith – for our staff who are Welsh users or learners
  - o Future Generations Network – to support and develop our leaders of the future
- Engaging with our communities, including hosting Equity and Inclusion stalls at our career’s fairs.
- Continuing the development of our Inclusion Ambassador programme, aimed to support senior leaders, including at Executive and Board level, to better understand the lived experience of our diverse workforce. The programme to support each of the protected characteristics and Welsh language.

The protection of the Welsh language is taken forward under the Welsh Language (Wales) Measure 2011 and related Standards - it has long been recognised that the equality and Welsh language policy agendas complement and inform

each other. It is further supported through the goal within the Wellbeing of Future Generations Act – A Wales of vibrant culture and thriving Welsh language. Our aim is to sustain and reinforce that principle through our Strategic Equality Objectives and ensure they serve to promote and protect the Welsh language.

The Health Board will continue to go beyond our legal obligations, applying the principles that sit within the Equality Act and the Public Sector Equality Duty to all our thinking, planning and decision making for the benefit of all our people, both in our organisation and our communities.

## 6.6 Workforce Planning

An effectively planned workforce is fundamental to providing good quality care services. The Health Board 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.

Audit Wales conducted a review of workforce planning arrangements at Cardiff and Vale University Health Board in 2023 and the conclusion overallread “ is taking appropriate action to address

its significant workforce challenges. However, it needs to ensure that it has sufficient workforce planning resources so support delivery of 's people plan and better understand the impact of the actions it is taking the review found that the Health Board is taking appropriate action to address its significant workforce challenges." A set of six recommendations were made as part of the report and good progress against delivering on these has been made, including:

- A Strategic Workforce Planning & Transformation lead has been appointed.
- People & Culture Plan Objectives were reviewed at the end of the second year of implementation and streamlined into three clear objectives, aligned to the refreshed Shaping Our Future Wellbeing long-term strategy.
- One of the three key P&C priorities agreed by the Health Board for IMTP 25/26 is building workforce planning expertise.
- The education commissioning process is being refined and will be aligned with IMTP process from 25/26.
- A series of Re-shaping workshops were held during 2024-25 across all Clinical Boards to explore how we can re-design our workforce model to build a sustainable workforce for the future.
- Part of the Shaping Our Future Clinical Services Programme Horizon Scanning Report, included workforce, which were translated into high level key workforce planning assumptions. These assumptions were published as part of this report; used as part of the IMTP 2024-25 planning guidance; shared widely across the Health Board and shared across the Wales Workforce Planning Network.

Work has now commenced to review progress against the implementation of the various All Wales Strategic Workforce Plans, with priority being given to the Mental Health Plan.

## 6.7 Sustainable & Affordable Workforce

Throughout 24/25 we have continued to reduce our overreliance on the temporary workforce, in particular agency, which has resulted in a cost reduction in the region of £13m. This has been achieved through a number of mechanisms

- Medical Workforce - Successful migration of agency workers in substantive/fixed term posts, particularly acute consultants and psychiatry specialty doctors, 100% compliance to internal bank rate card, consistently >90% bank fill rate and 100% Direct Engagement efficiencies
- Nursing Workforce – utilising the e-rostering system to drive efficiency and make data informed decisions, continuing to embed effective rostering principles into our culture, enhanced scrutiny on agency, bank and overtime and increasing bank fill rate.

In 2025-26 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 top priority.

## 7. Conclusion and Forward Look

There have been many successes for the UHB within the last year. Delivery of our 2024/2025 plan has been a difficult task; however, our emphasis has continued to be on ensuring that quality and value underpin our approach and we are proud of the performance and care we have delivered across many of our services.

Our emphasis is to prioritise those patients in need of urgent and emergency services and our second priority focus area is for those patients requiring time critical care, including treatment for cancer. Our third priority focus is then for planned and elective services. Through continued and consistent application patients in Cardiff and the Vale have again averaged less time waiting on ambulances, spent less time in our emergency department and received cancer treatment quicker than in other parts of Wales.

Following the successful reorganisation of our emergency department and assessment units in 2024/25, the Health Board has remained a positive outlier in Wales in relation to ambulance handover performance. Similarly, we continue to have a lower proportion of patients waiting over 12 hours in our emergency departments.

So much fantastic work goes on everyday right across the Health Board, and some key highlights of the last year include the Health Board participating in the BBC Savings Lives Series in Cardiff. This

included 6 episodes aired in September and October 2024 showing how clinical and operational teams are working hard to put people first against the backdrop of significant waiting times. By opening the doors to the BBC, the programme gave a snapshot of the difficult decisions many colleagues make every day and the expertise, professionalism and compassion that goes into caring for people's health.

We have some truly inspirational colleagues working across the UHB and it was fantastic to see several were recognised for their dedication to delivering outstanding quality care during the year. Just some of those recognised include:

- MBEs were awarded to Consultant Physician **Dr Hamsaraj Shetty** for his services to stroke care and **Professor Antony Johansen**, Consultant Ortho-Geriatrician, for his services to older people.
- **Madelaine Watkins**, Clinical Nurse Specialist for Psychosis in Older Adults, was named **RCN Wales Nurse of the Year 2024**.
- **Lisa Franklin, Tim Nicholls, Julia Somerford, Kim Baker, Jade Cole, and Diana Mehrez** were also recognised at the ceremony for their outstanding commitment to quality.

The Rapid Hip Fracture Pathway was implemented over the last year and has resulted in significant improvements in the patients' journey to such an extent that Cardiff and Vale UHB is now one of the best performing hip fracture units in the UK.

eTriage Kiosks were introduced in the Emergency Unit at the University Hospital of Wales to improve patient experience, increase efficiency and to support the clinical triage team with prioritisation of those patients most in need.

A Healthy Lives event held in March during Ramadan at Cardiff City Stadium, offered women of Islamic Faith the chance to find out more about the importance of breast, cervical and bowel screening, as well as childhood vaccinations.

**Safe at Home** – the primary care service expanded, providing older and frail people a safe alternative to hospital by delivering care in their own homes.

As we move forward and look to 2025-26 our 6 goals programme will be paying additional attention to improving our in-hospital flow and reducing the time patients spend in hospital. Aligning to the national programmes, including the Optimal Hospital Flow Framework, we are committed to significantly reducing the average length of stay across our medicine wards. We will also work closely with Welsh Government and NHS Wales as we strengthen sustainability and the effective use of resources to improve quality, efficiency and productivity across the organisation in light of the increased Level 4 (targeted intervention) escalation status for finance, strategy and planning.



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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 2024-2025. 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:**



**Dr David Fluck**

**Executive Medical Director on behalf of the Chief Executive and Accountable Officer**

**Date:** 25 June 2025

### 8.2 The Composition of the Board

CAVUHB has 21 Board members consisting of 11 Independent Members (including the Chair and Vice-Chair), all of whom are appointed by the Cabinet Secretary for Health and Social Services, and 9 Executive Directors (including the Chief Executive). 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. CAVUHB currently has one Associate Member appointed by the Minister for Health and Social Services following a recommendation from CAVUHB in accordance with Standing Orders.

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:

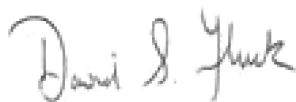
- As far as I am aware, there is no relevant audit information of which Cardiff & Vale University Health Board's auditors are unaware, and I have taken all steps that ought to have been taken to make myself aware of any relevant audit

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:**



**Dr David Fluck**  
**Executive Medical Director on behalf of the Chief Executive and Accountable Officer**

**Date:** 25 June 2025

## 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.

### By Order of the Board

**On behalf of the Chairman:**

Signed:



Charles Janczewski

**Dated:** 25 June 2025

**Executive Medical Director on behalf of the Chief Executive and Accountable Officer:**

Signed:



Dr David Fluck

**Dated:** 25 June 2025

**Executive Director of Finance**

Signed:



Catherine Phillips

**Dated:** 25 June 2025

## 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

by clicking on the following link <https://cavuhb.nhs.wales/about-us/governance-and-assurance/register-of-interests-gifts-and-hospitality/>.



The cover features a central dark blue wave-like shape. The text 'Annual Governance Statement' is centered within this shape in white. The background consists of several overlapping, lighter blue wave-like shapes that create a sense of movement and depth. The overall design is clean and modern.

# **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 the Board, I have responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The Annual Report outlines the different ways the organisation has had to work both internally and with partners in response to the unprecedented pressure in planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated, and assurance has been sought and provided. Where necessary additional information is provided in the 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 2024-2025 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 Senior Leadership Board assist me as Chief Executive in discharging my accountabilities and meet fortnightly 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) twice a 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. The UHB is committed to working with Welsh Government and NHS Wales to strengthen sustainability and the effective use of resources to improve quality, efficiency and productivity across the organisation in light of the escalation status.

## 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 2024-2025, Welsh Government issued updated Model Standing Orders

for NHS bodies in Wales, as outlined below:

- Issued April 2024 - Amendments to the model standing orders and reservation and delegation of powers for local health boards following the establishment of the NHS Wales Joint Commissioning Committee

These amendments were approved by the Board at its meeting on the 30 May 2024.

- Issued January 2025, amendments to the model standing orders to ensure consistency relating to:

- (i) The eligibility requirements for the chair, vice-chair and non-officer members/non-executive directors of the Board.
- (ii) The provisions relating to the appointment of officer members to boards of Local Health Boards.
- (iii) The arrangements for appointing the Trade Union Member to a board of Local Health Boards.
- (iv) The timescales for the publication of board and committee agendas and papers.

These amendments were approved by the Board at its meeting on the 27 March 2025.

#### 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. All Committees are constituted to comply with The Welsh Government Good Practice Guide – Effective

Board Committees. 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/> and papers for Committee meetings at <https://cavuhb.nhs.wales/about-us/governance-and-assurance/committees-and-advisory-groups/>

Each Committee produces an annual report for the Board. The Committees' annual reports for 2024-2025 can be accessed at: <https://cavuhb.nhs.wales/about-us/governance-and-assurance/annual-reports-and-accounts/>

The Health Board's Board and Committee structure in place during 2024-2025, is outlined below.

### Cardiff and Vale UHB Governance Structure 2024-2025

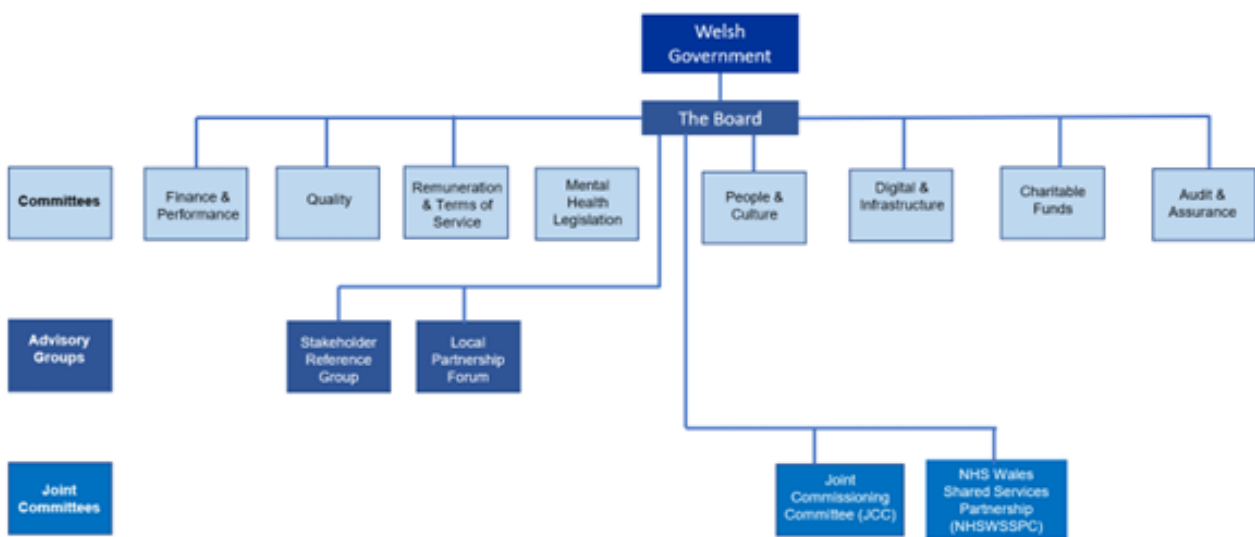


Image 22 – Governance Structure 24-25

## Changes to the C&VUHB Governance Structure during 2024-25

It is important to keep the effectiveness of the Board's Committees under constant review to ensure that they are fit for purpose and support the Board in discharging its functions. Further, to ensure that the Board's Committee arrangements reflect the risk profile of the organisation. The Health Board's Board Assurance Framework identifies strategic risks themes that, if uncontrolled, will prevent the Health Board from achieving its strategic objectives. They are Quality, Health Equity, People, Digital, Infrastructure and Sustainability. Accordingly, the Health Board reviewed its Committee arrangements and the following changes were made to Committee arrangements effective from 1 April 2024:

a) The Quality, Safety and Experience Committee continued to meet

6-weekly during 2024-2025 in order to ensure sufficient time was afforded to quality improvement. As of January 2025, the Committee was renamed to the Quality Committee as agreed by the Board at its November 2024 meeting.

- b) The Digital Health and Intelligence Committee was renamed to the Digital & Infrastructure Committee from January 2025 to ensure appropriate understanding and awareness of the material state of the UHB's estate and infrastructure at Committee and Executive level.
- c) The Health & Safety sub-committee was stood down with the elements of Staff Health & Safety feeding into the People & Culture Committee and general Health & Safety elements feeding into the Digital & Infrastructure Committee.
- d) Public Health information was moved from the People & Culture Committee and fed into the Quality Committee.

## Translating Strategy to Action Governance Structure 2025

Strategy	Putting People First	Providing Outstanding Quality			Delivering in the Right Places	Acting for the Future
Committee	People and Culture	Quality			Digital and Infrastructure	Finance and Performance
		Mental Health Legislation				
Audit and Assurance   Charitable Funds   Remuneration and Terms of Service						
Strategic Portfolio	Shaping our People and Culture	Shaping our Population Health and Place based Partnerships	Shaping our Quality, Value and Sustainability	Shaping our Future Clinical Services	Shaping our Future Infrastructure	Shaping our Future Generations
Strategic Risk Theme	People	Quality			Digital	Sustainability
		Health Equity			Infrastructure	

Image 23- Strategy to Action Governance Structure

## 9.5 Audit and Assurance Committee

The membership of the Audit and Assurance Committee during 2024-2025, providing the required expertise was as follows:

Name	Role	Dates
<b>INDEPENDENT MEMBERS</b>		
Rhian Thomas	Committee Chair and Independent Member – Capital & Estates	Committee Chair: April 2024 - March 2025 Independent Member – Capital & Estates: April 2024 – March 2025.
David Edwards	Committee Vice Chair and Independent Member – ICT	April 2024 – March 2025
Mike Jones	Independent Member Trade Union	April 2024 – March 2025
Ceri Phillips	Vice Chair	April 2024 – March 2025



## 9.6 Composition of The Board

### Items Considered by the Board in 2024-2025 included:

- 2024/25 Finance Planning
- Funded Nursing Care: Setting the 2024/25 Interim Rate & Care Provider Fee Uplift Required for 2024/25
- Corporate Parenting Charter
- Infected Blood Inquiry Strategic Brief
- Business Cases
- Compassionate Leadership Pledge
- Capital Plan 2024/25
- Staff Survey
- Rapid Diagnosis Clinic – Patient Data
- NHS Long Term Agreements (LTAs) and Financial Approach for 2024/25
- Joint Commissioning Committee Hosting Agreement and Memorandum of Agreement
- Joint Commissioning Committee Governance Framework
- ELLIPSE Trial
- Public Service Ombudsman for Wales - Annual Letter & Response
- Long Term Plan for Public Health
- Safeguarding Annual Report 2023/24
- Annual Equality Report

The Board and Committee membership and Champion Roles during 2024-2025 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 2024-25.

The Health Board said farewell to:

- Akmal Hanuk – Independent Member, Community on 31 March 2025
- Marie Davies, Interim Executive Director of Strategic Planning on 31 January 2025
- Fiona Jenkins who left the role as Executive Director of Therapies on 30 April 2024.

We also warmly welcomed the following to the Board:

- Emma Cooke as the Executive Director of Therapies on the 1 June 2024 following a interim position from the 1 May 2024
- Steve Riley as independent member for Universities on 1 October 2024
- Dr David Fluck - Executive Medical Director on 7 October 2024
- Rachna Upadhyas as General Independent Member on the 1 January 2025

To note: Dr Richard Skone took on the role of Interim Executive Medical Director from 1 April 2024 until 6 October 2024.

## 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 Board Committees were in place during 2024-2025:**

Committee	Items Considered
<p><b>Audit and Assurance Committee</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>• Internal Audit Reports were submitted to each meeting providing details relating to outcomes, key findings and conclusions</li> <li>• Audit Wales reports on current and planned audits</li> <li>• Declarations of Interest Reports</li> <li>• Regulatory Compliance Tracking Reports</li> <li>• Internal &amp; External Audit Tracking Reports</li> <li>• Procurement Compliance, Workforce Compliance and Counter Fraud Reports</li> <li>• Assurance mapping and Risk Management Strategy</li> <li>• Health Charity's draft Accounts and Annual Report</li> <li>• Annual Accounts, Accountability and Remuneration Reports for 2024-2025</li> <li>• Losses and Special Payments.</li> </ul>
<p><b>Finance and Performance Committee</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>• Performance reports</li> <li>• Monthly Financial Reports</li> <li>• Financial Monitoring Returns</li> <li>• Financial Plan and Savings Tracker 2024/25</li> <li>• RISP Programme</li> <li>• Quarterly Report on Annual Plan Progress</li> <li>• 2023-24 Capital Allocation</li> <li>• Various Business Cases (including Strategic Outline Business Case-Haematology / BMT &amp; Advanced Cell Therapy, CRI Safeguarding works (including MEP), Thrombectomy Business Case, Interventional Radiology Case, Electronic Prescribing &amp; Medicines Administration, Digital Cellular Pathology, Digital Foundations, Regional Health Protection, Welsh Intensive Care Information System)</li> </ul>
<p><b>Mental Health Legislation Committee</b></p> <p>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:</p>	<ul style="list-style-type: none"> <li>• Mental Capacity Act Monitoring Report and DoLS Monitoring</li> <li>• Mental Health Act Monitoring Exception Report</li> <li>• Mental Health Measure Monitoring Reporting including Care and Treatment Plans Update Report</li> <li>• Section 117 Supreme Court Ruling Judgement</li> <li>• UHB Response to the Consultation on the Mental Health Standards of Care (Wales) Bill</li> </ul>

Committee	Items Considered
<ul style="list-style-type: none"> <li>• Hospital Managers’ duties under the Mental Health Act 1983;</li> <li>• the provisions set out in the Mental Capacity Act 2005;</li> <li>• the Mental Health Measure (Wales) 2010;</li> <li>• the Mental Health Act 1983 Code of Practice for Wales;</li> <li>• the Mental Capacity Act 2005 Code of Practice;</li> <li>• the Mental Capacity Act 2005 Deprivation of Liberty Safeguards Code of Practice;</li> <li>• the associated Regulations.</li> </ul>	<ul style="list-style-type: none"> <li>• RAMP Protocol and the Part 1 Scheme</li> <li>• Mental Health and Wellbeing Strategy / Suicide and Self-Harm Prevention Strategy</li>   <li>• Section 117 Supreme Court Ruling Implications</li> </ul>
<p><b>Quality Committee</b></p> <p>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.</p> <p>It will also provide assurance to the Board around the UHB’s arrangements for protecting and improving the quality and safety of patient-centred healthcare, thus improving the experience for all people that use our services.</p>	<ul style="list-style-type: none"> <li>• Clinical Board Assurance Reports</li> <li>• Quality Indicators Report</li> <li>• Deep Dives</li> <li>• Equity, Equality, Experience and Patient Safety Action Plan</li> <li>• COVID-19 Investigation Programme</li> <li>• Update on the Hepatitis B/C Recovery Plan</li> <li>• Joint Inspection of Child Protection Arrangements (JICPA) Update and Improvement Plan</li> <li>• Research and Development Update</li> <li>• Looked After Children – Assessment Backlogs</li> <li>• Medical Examiners (Wales) Regulations 2024 and Care After Death</li> <li>• Healthcare Associated Infection (HCAI) Measures</li> <li>• Smoke Free Legislation Update</li> <li>• Emergency Unit, Acute Medicine and Frailty Showcase</li> <li>• Prison Inquest Update</li> </ul>

Committee	Items Considered
<p><b>Charitable Funds Committee</b></p> <p>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.</p> <p>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.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>• Health Charity Financial Position &amp; Investment Update</li> <li>• Over 25k bids for approval</li> <li>• Reporting Feedback on Successful CFC Bids</li> <li>• Staff Lottery Bids Panel Report</li> <li>• Staff Lottery Bids Panel Terms of Reference</li> <li>• Health Charity Fundraising Report</li> <li>• Staff Benefits Group Report</li> <li>• New Customer Relationship Manager (CRM) Provider &amp; Operating License Update</li> <li>• Signatory for Rathbones - Update</li> <li>• Chair’s Action – Health Charity Review – External Consultant Proposal</li> <li>• CAVUHB Charity Accounts 2023-24 - AW 2024 Audit Plan</li> <li>• Children &amp; Women’s Clinical Board Transfer request from capital in perpetuity to endowment funds</li> <li>• Investment Portfolio update – Presented by Rathbones</li> <li>• Our Health Meadow Changes of Status</li> <li>• Charitable Funds Investment Management Services Contract Extension</li> <li>• Food Sense Wales Fund</li> <li>• Responsible Gaming Policy</li> </ul>

Committee	Items Considered
<p><b>Digital &amp; Infrastructure Committee</b></p> <p>The Digital &amp; Infrastructure Committee reflects the key enablers identified within the Strategy that can most simply be articulated as 'bricks and bytes.</p>	<ul style="list-style-type: none"> <li>• Digital Transformation Progress reports</li> <li>• Caldicott guardian requirements</li> <li>• Freedom of Information</li> <li>• General Data Protection Regulation (GDPR);</li> <li>• Data breach reports;</li> <li>• Clinical Coding Performance data</li> <li>• Digital Strategy Refresh</li> </ul>
<p><b>People and Culture Committee</b></p> <p>The purpose of the Committee is to advise and assure the Board on the development, monitoring and delivery of the Organisations' People &amp; Culture Plan in the context of the National Strategic Workforce Plan.</p>	<ul style="list-style-type: none"> <li>• Staff Stories</li> <li>• Board Assurance Framework – Workforce, Recruitment &amp; Wellbeing</li> <li>• Key Workforce Performance Indicators</li> <li>• Clinical Board Spotlights</li> <li>• Welsh Language Commissioner Notices</li> <li>• Health and Safety updates</li> <li>• Strategic Equality Objectives</li> <li>• Annual Equality Reports</li> <li>• Staff Policies</li> <li>• Cost of Living Impact</li> <li>• Gender Pay Gap Report</li> </ul>
<p><b>Remuneration and Terms of Service Committee</b></p> <p>The purpose of the Committee is to provide:</p> <p>(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</p> <p>(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.</p>	<ul style="list-style-type: none"> <li>• Remuneration and terms of service matters</li> </ul>

The reports, workplans 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 2024-2025 and dates of the meetings attended during the tenure of the individual.

Table 1 in Appendix 1 sets out the Board Champion Roles during 2024-2025.

Table 2 in Appendix 1 of the AGS sets out the Dates of Advisory Group meetings held during 2024-2025.

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.

Significant issues upon which the SRG was engaged during 2024-2025 included:

- Shaping Our Future Wellbeing Strategy
- Transport and sustainable travel
- South Central Wales Stroke Delivery Network
- Co-production, Engagement and Consultation Framework and Toolkit
- Regional Ophthalmology services engagement
- All Wales Medical Genomics Service
- Annual Plan
- Clinical Services Plan
- Decarbonisation Action Plan
- Strategic Equality Objectives

## Local Partnership Forum and Other Employee Engagement Groups

The UHB 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).

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 5 times during 2024-25.

LPF is the formal mechanism for the Health Board and Trade Union/Professional Organisation Representatives to work together to improve health services.

Significant issues which the Local Partnership Forum considered during 2024-25 include:

- Non-pay elements of the 2022-23 and 2023-24 Pay Deal
- Staff Survey Results
- Clinical Services Plan
- Population Health Priorities
- Staff Retention
- Speaking Up Safely
- Sexual Safety in the Workplace
- Workplace Race Equality Standards (WRES)
- Health Board Planning Processes and Assumptions
- Nurse Staffing Act annual report
- People and Culture Communications Plan

- Covid-19 Public Inquiry and the UHB
- The LPF has 3 sub-groups:
  - The Workforce Partnership Group
  - The Employment Policies Sub-Group
  - The Staff Benefits Group

At a more local level, each Clinical Board and a Corporate forum also has monthly or bi-monthly Local Partnership Forums which enable the Clinical Board leadership team to engage with trade union representatives on local matters.

## NHS Wales Shared Services Partnership (NWSSP) Committee

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

## Joint Committees

It is noted that the Welsh Health Specialised Services Committee (WHSSC) and the Emergency Ambulance Services Committee (EASC) were stood down on 31 March 2024, and replaced by the Joint Commissioning Committee from 1 April 2024.

## 9.9 Public Appointments

We warmly welcomed the following to the Board:

- Professor Steve Riley – Independent Member, University on 1 October 2024
- Dr Rachna Upadhyia – Independent Member on 2 January 2025

## 9.10 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 2024-2025 is available upon request from the Director of Corporate Governance or via the following link <https://cavuhb.nhs.wales/about-us/governance-and-assurance/register-of-interests-gifts-and-hospitality/>

## 9.11 Board and Committee Membership & Attendance 2024-2025

The Board has been constituted to comply with the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009. The tables attached to Appendix 1 to this AGS outlines the Board and Committee Membership and the record of attendance for the period April 2024 - March 2025.

## 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.

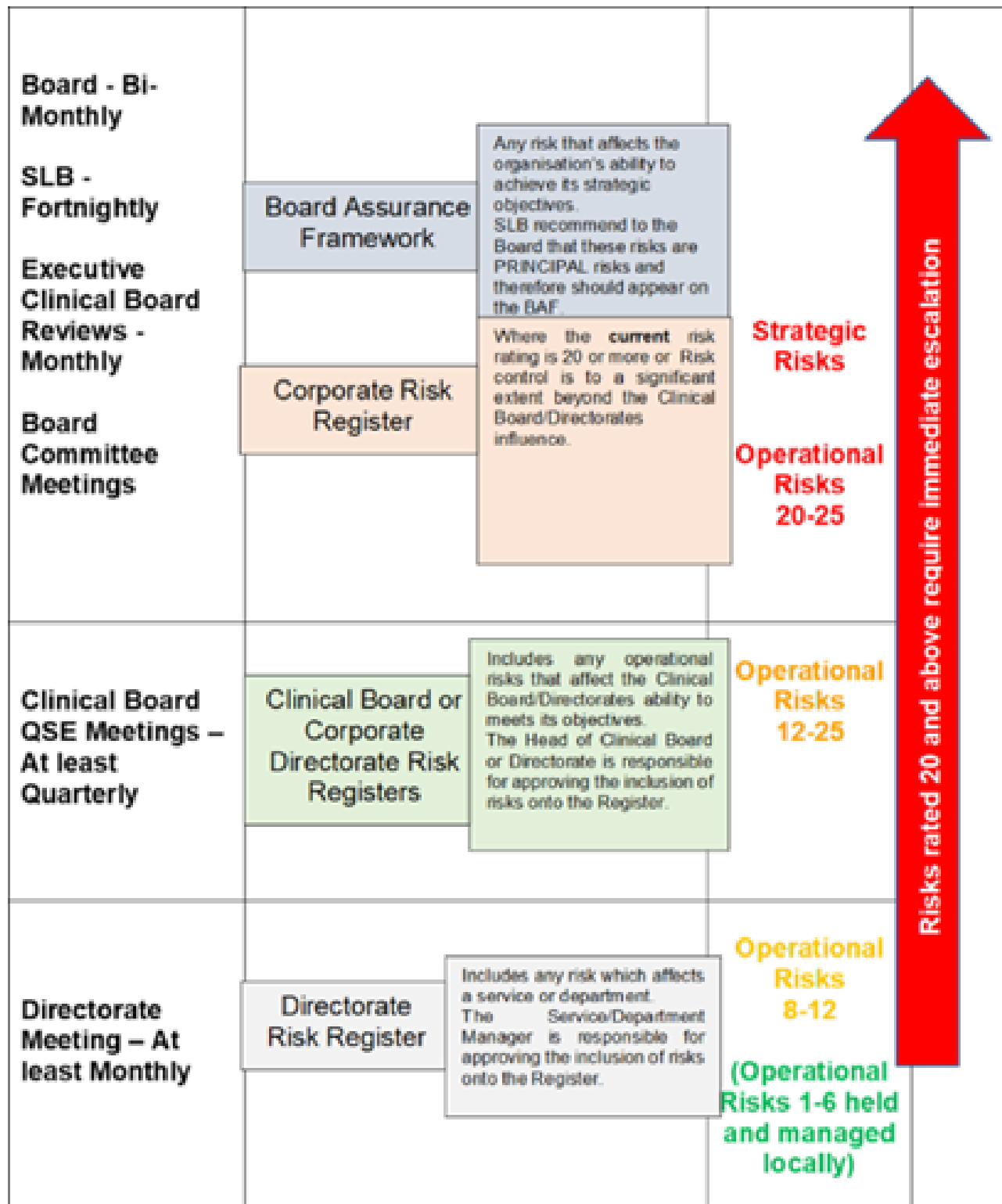
The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2025 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.



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 comprises 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.

The BAF as of March 2025 can be found [here](#) on page 38 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 2025, there were 120 extreme 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 February 2025, noted the following in relation to the Management of Risk within the Health Board:

"The Health Board continues to take positive steps to improve its strategic and corporate risk management arrangements. However, opportunities exist to clarify risk escalation and corporate risk scrutiny arrangements."

An Internal Audit Review of the Risk Management processes was undertaken in May 2024 which received a Reasonable Assurance rating on Risk Management and the BAF. It found that strategic risks are aligned to the strategic objectives, were well-articulated, and clearly linked to key operational areas. The review is also complimentary about the BAF being a live document with clear links to the corporate and operational risk registers.

## 11. Mandatory Disclosures

### 11.1 Revised Health and Care Standards

Health & Care standards have been revised under Duty of Quality and further information is available in our 2024-25 Annual Quality Report.

## 11.2 Emergency Preparedness

The Health Board had emergency and business continuity arrangements in place during the financial year 2024-25, 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 a number of incidents during the year including power outages and water leaks due to the condition of our major hospital facilities, patient capacity issues, power failures and Industrial action. Our business continuity arrangements enable us to manage the continued delivery of our services following a business disruption. A number of emergency planning training and exercises sessions were undertaken during the course of the year, upskilling the workforce to tackle business continuity to the best of the organisation's ability.

## 11.3 Ministerial Directions and Welsh Health Circulars (WHCs)

Ministerial Directions and WHCs issued by the Welsh Government for the period April 2024 - March 2025 have been considered and where appropriate implemented. Details of the Ministerial Directions issued by the Welsh Government during 2024/45 are set out in Appendix 2 attached to this AGS.

During the financial year 2024/25 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 have a formal system in place to track regulatory and inspection reports against statutory requirements. This is achieved by means of a Legislative and Regulatory Tracker report which is presented to the Audit and Assurance Committee to provide assurance that recommendations made within such reports are being appropriately actioned. Prior to presentation to the Audit and Assurance Committee the tracker is populated with information from delegated individuals who are accountable for regulatory compliance.

The Legislative and Regulatory Tracker includes the following:

- All Regulatory Bodies who inspect the Health Board.
- The Regulatory Standard being inspected.
- An Executive Lead for each inspection.
- An assurance Committee where Regulatory reports may also be presented along with action plans for improvement where required.

The Corporate Governance Directorate also track all Internal Audit Recommendations and all Audit Wales Recommendations along with management responses on the Audit Management and Tracking (AMaT) system. Recommendations 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 information are managed and controlled in accordance with the Health Board's Information Governance Policy through the Digital & Infrastructure Committee (D&IC), which is chaired by the Independent Member for Digital.

The Caldicott Guardian is responsible for the protection of patient information. All Information Governance issues are escalated through the Digital & Infrastructure Committee (D&IC Committee).

The D&IC Committee papers can be viewed here: <https://cavuhb.nhs.wales/about-us/governance-and-assurance/committees-and-advisory-groups/digital-and-health-intelligence-committee/>

The following items were considered by the DHIC Committee in 2024-25:

- Welsh Government Digital Strategy for Health & Social Care Refresh
- Digital Transformation and Digital Strategy Progress Report
- Joint IMT & IG Corporate Risk Register
- IG Data & Compliance (SIs, Data Protection, GDPR, FOI, SARs, access logs monitoring and Staffing & Mandatory Training)
- Digital Services Key Performance Indicators

The Director of Digital & Health Intelligence assumes the role of the Senior Information Risk Owner (SIRO) which provides an essential role in ensuring that identified information security risks are addressed and incidents properly managed.

The Board has strict responsibilities to ensure personal data and information is

held securely. All information governance related incidents are investigated and reviewed by the Information Governance Group.

During the period April 2024 to March 2025, a total of six data breaches met the threshold to report to the Information Commissioner's Office, in line with the UK GDPR. A summary of the key themes are outlined below;

- Three breaches were caused by administrative errors impacting the accuracy of personal data held by the UHB. This resulted in delays in results being reported, a letter being sent to the wrong address and two patient records being mixed up
- Two reportable breaches were caused by staff accessing patient records without authorisation.
- One breach was because of a supply chain cyber-attack impacting a small number of UHB staff.

All the reported data breaches have been closed by the ICO with no further action although in several cases, a few recommendations were made and actioned.

During April 2024 to March 2025, Cardiff and Vale UHB did not suffer any recorded lapses of data security, other than those data breaches which are outlined in the above section which were reported to the Information Commissioner's Office. Therefore, no breaches have been reported to the Cyber Resilience Unit.

## 11.6 NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained

within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

## 11.7 UK Corporate Governance Code

The UK Corporate Governance Code (the Code) is the primary reference and overview of good practice for corporate governance in Central Government Departments. Whilst there is no requirement to comply with all elements of the Corporate Governance Code, the

Health Board considers that it is complying with the main principles of the Code, where applicable, and follows the spirit of the Code to good effect, is conducting its business in an open and transparent manner, and in line with the Code.

## 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
<ul style="list-style-type: none"> <li>• Performance management reports</li> <li>• Service change management reports</li> <li>• Workforce information and surveys</li> <li>• Benchmarking</li> <li>• Internal and clinical audit reports</li> <li>• Board and Committee reports</li> <li>• Local Counter Fraud work</li> <li>• Health and Care Standards assessments</li> <li>• Executive and Independent Member Safety Walk Rounds</li> <li>• Results of internal investigations and Serious Incident reports</li> <li>• Concerns and compliments</li> <li>• Speaking up Safely</li> <li>• Infection prevention and control reports</li> <li>• Information governance toolkit self-assessment</li> <li>• Patient experience surveys and reports</li> <li>• Compliance with legislation (e.g. Mental Health Act/Health and Safety, Data Protection)</li> </ul>	<ul style="list-style-type: none"> <li>• Population Health Information</li> <li>• Audit Wales</li> <li>• Welsh Risk Pool (WRP) Assessment reports</li> <li>• Healthcare Inspectorate Wales (HIW) reports</li> <li>• Community Health Council visits and scrutiny reports</li> <li>• Feedback from healthcare and third sector partners</li> <li>• Royal College and Deanery visits</li> <li>• Regulatory, licensing and inspection bodies</li> <li>• External benchmarking and statistics</li> <li>• Accreditation Schemes</li> <li>• National audits</li> <li>• Peer reviews</li> <li>• Feedback from service users</li> <li>• Local networks (e.g. cancer networks)</li> <li>• Welsh Government reports and feedback</li> </ul>

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

In order to evaluate and demonstrate the effectiveness of the Board and the Board's Committees the following actions took place during 2024-2025:

- 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.

- Each Committee of the Board developed an 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.
- Two Board Development sessions a year are protected to enable the Board to undertake self-assessment and, more importantly, improvement work focusing on the individual and collective abilities of the Board.
- In June 2024 this session focused on individual and collective resilience.
- December 2024 built on from the resilience session into wellbeing through the completion of Workplace Resilience Assessment (Wraw) psychometric tests by each Board Member, resulting in group work and discussion. This session was additionally facilitated by a review led by the NHS Graduate Students on the core components of Board responsibilities.

## 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.

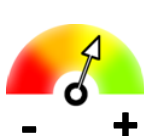
## 12.1 The Head of Internal Audit Opinion

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit (HIA) is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. This is achieved through the delivery of 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 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 2024/25 audit year. We also consider other information available to us such as our overall knowledge of the organisation, the findings of other assurance providers and inspectors, and the work we undertake at other NHS Wales organisations. The Head of Internal Audit considers the outcomes of the audit work undertaken and exercises professional judgement to arrive at the most appropriate opinion for each organisation.

The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management, and control is set out below.

<b>Reasonable assurance</b>		<p>The Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>
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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	Reasonable Assurance
<ul style="list-style-type: none"> <li>• Capital Systems</li> <li>• Core Financial Systems (General Ledger and Accounts Receivable)</li> <li>• Follow-up: Temporary Staffing Costs</li> </ul>	<ul style="list-style-type: none"> <li>• Performance Reporting (From 23/24 Plan)</li> <li>• Maternity Care – Ockenden Review (From 23/24 Plan)</li> <li>• Health &amp; Safety</li> <li>• Safeguarding</li> <li>• Specialist Services CB Governance</li> <li>• Consent Process</li> <li>• Smoking Cessation</li> <li>• Mortuary Refurbishment at UHW</li> <li>• Risk Management/Board Assurance Framework</li> <li>• Business Continuity Planning</li> <li>• Records Management</li> <li>• UHW Lift Modernisation</li> <li>• Surgery CB Governance (Draft)</li> <li>• Therapies and Health Sciences Agency, Additional Hours and Overtime (Draft)</li> <li>• Office 365 Benefits Realisation (Draft)</li> <li>• Waiting List Management (Draft)</li> </ul>
Limited Assurance	Advisory & Non-Opinion
<ul style="list-style-type: none"> <li>• INNU</li> <li>• Follow-up: Implementation of Health Roster</li> <li>• Follow-up: Surgery CB Consultant Job Plans</li> <li>• Local Data Repository</li> <li>• Follow up: Alcohol Standards</li> </ul>	<ul style="list-style-type: none"> <li>• Legal Services</li> <li>• Decision Making</li> <li>• Endoscopy Unit Investment</li> <li>• Data Quality</li> <li>• Contract Management (Draft)</li> </ul>

At the time of producing the Annual Report, one audit of the Medicine CB - Acute Medicine Model was still ongoing but had not been sufficiently progressed

to reliably determine the assurance rating. The outcome for this audit will therefore feed into the Opinion for 2025/26.

## 12.2 Limited Assurance

As detailed within the table above, Internal Audit have issued five audit reports with a conclusion of limited 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 assurance audit reports. Progress towards implementation of the agreed management actions is monitored via the Health Board's recommendation tracking process on the AMaT system and is periodically reported to the Audit & Assurance Committee.

It should however be noted that three of the five Limited assurance audits relate to follow-ups of audits that were originally reported as Limited during 2023/24. The continued Limited assurance demonstrates that progress had not been made in implementing the previously agreed actions and the issues raised in the original audits have not therefore been addressed.

There were no audited areas in which the Health Board received a "No assurance" assessment rating.

## 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 2024

Audit Wales' annual programme of work at the Health Board is set out in the Audit Plan. The Committee considered the detailed 2024 Audit Plan on 20 May 2024. 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 provided to each Audit and Assurance Committee 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 2024 February 2025
Performance Audit Updates	May, September & November 2024 February 2025
Audit of Accounts Report – Cardiff and Vale University Health Board	July 2024
Primary Care Follow-up Report	May 2024
Detailed Audit Plan 2024	
Audit of Accounts Addendum Report	September 2024
Charitable Funds (2022-25 Accounts)	January 2025
Structured Assessment 2024 Urgent and Emergency Care: Flow out of Hospital Report Discharge Planning Progress Update Review of Cost Savings Arrangements Outline Audit Plan 2025	February 2025
Annual Audit Report 2024 (A copy can be accessed using the following link: <a href="#">Cardiff and Vale University Health Board – Annual Audit Report 2024   Audit Wales</a> )	<a href="#">February 2025</a>

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 2024 did not identify any material weaknesses in the Health Board’s internal controls (as relevant to the audit)

A detailed Audit Plan was considered and approved by the Audit and Assurance Committee on 20 May 2024.

## 13.2 Cardiff and Vale University Health Board - Structured Assessment

The Audit Wales Structured Assessment for 2024 provides an assessment of the Health Board’s corporate arrangements for ensuring that resources are used efficiently, effectively and economically..

The Structured Assessment for 2024 made a number of findings some of which include:

- We considered whether the Health Board has a sound corporate approach to producing strategies and corporate plans and overseeing their delivery. We found that arrangements for producing, overseeing, and scrutinising strategies and corporate plans continue to strengthen, and the Health Board is taking positive steps to operationalise and embed its refreshed strategic objectives
- We considered whether the Health Board's Board conducts its business appropriately, effectively, and transparently. We found that the Board and its committees continue to conduct their business transparently, operate effectively, and remain committed to continuous improvement. There are opportunities to improve some aspects of administrative governance and to enhance learning from patient safety walkabouts and Board effectiveness reviews.
- We considered whether the Health Board has a sound corporate approach to managing risks, performance, and the quality and safety of services. We found that the Health Board continues to strengthen its corporate systems of assurance. There are opportunities to clarify oversight arrangements for strategic and corporate risks and to update the Performance Management Framework.
- We considered whether the Health Board has a sound corporate approach to managing its financial resources. We found that whilst the Health Board maintains clear processes for financial planning, management and monitoring, the financial position remains challenging. The Health Board must address overspends and strengthen its

approach to the identification and delivery of recurrent savings in order to achieve its financial sustainability ambitions.

- The Health Board continues to have good arrangements for maintaining Board oversight of key corporate strategies and plans. The 2024- 25 Annual Plan contains a clear delivery plan, supported by new reporting arrangements, however, it is too early to comment on their effectiveness

Welsh Government have received the Annual Plan and set accountability conditions related to delivering and improving on the deficit plan, further de-risking the financial plan to ensure the savings plan is delivered in-year, maximising opportunities for efficiency and productivity and progressing regional solutions for endoscopy and other clinical challenges. The Health Board intends on using the strategic portfolios to guide development of its 2025-28 IMTP.

The Structured Assessment can be accessed via the following link:

[Cardiff and Vale University Health Board – Structured Assessment 2024 | Audit Wales](#)

## 14. Modern Slavery Act 2015 – Transparency in Supply Chains

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, to eradicate unlawful and unethical employment practices, such as:

- Modern Slavery and Human rights abuses;
- The operation of blacklist/prohibited lists;
- False self-employment;
- Unfair use of umbrella schemes and zero hours' contracts; and
- Paying the Living Wage.

The **following actions are in place** which meet the Code's commitments:

- We have a Procedure for Raising Concerns, which provides the workforce with a fair and transparent process, to empower and enable them to raise suspicions of any form of malpractice by either our staff or suppliers/contractors working on the Health Board premises;
- We have a target in place to pay our suppliers within 30 days of receipt of a valid invoice;
- We comply with the six NHS pre-employment check requirements to verify that applicants meet the preconditions of the role they are applying for. This includes a right to work check;
- We have introduced robust IR35 processes to ensure the fair and appropriate engagement of all workers and prevents individuals from avoiding paying 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 which ensures that no potential applicant, employee or worker engaged is in any way unduly disadvantaged in terms of pay, employment rights, employment or career opportunities;
- We also seek assurances from suppliers, via the tender process, that they do not make use of blacklists/prohibited lists.
- In accordance with Transfer of Undertaking (Protection of Employment) Regulations any Health Board staff who may be required to transfer to a third party will retain their NHS Terms and Conditions of Service;
- We use the Modern Slavery Act (2015) compliance tracker by way of contracts procured by NHS Wales Shared Services Partnership (NWSSP) on behalf of the Health Board. NWSSP is equally committed to ensuring that procurement activity conducted on behalf of NHS Wales is undertaken in an ethical way. On our behalf, they ensure that workers within the supply chains through which they source our goods and services are treated fairly, in line with Welsh Government's Code of Practice for Ethical Employment in Supply Chains.

The Health Board continues to work in partnership with relevant stakeholders and trade union partners to develop and implement actions which set out our commitment to ensure the principles of ethical employment within our supply chains are implemented and adhered to.

## 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 2024-2025, we have again proactively identified areas requiring improvement and requested Internal Audit to undertake detailed assessments in order to manage and mitigate associated risks. A number of reports issued by Internal Audit concur with our view and have consequently provided the Health Board 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 2024 Report conducted by Audit Wales, for Cardiff and Vale University Health Board (CVUHB) highlights several key outcomes. The report emphasises the Health Board's ongoing challenges, climate emergency, inflationary pressures, workforce shortages. Overall, the Health Board's corporate governance arrangements are effective, and positive steps are being taken to operationalise its long-term strategy.

In March 2025, the Cabinet Secretary for Health and Social Care announced that our Health Board's escalation status has been raised to Level 4 for finance, strategy, and planning. As a result, we will work closely with Welsh Government and NHS Wales to enhance sustainability, resource efficiency, and productivity.

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 2024-2025.

*Signed by*



**Dr David Fluck**

**Executive Medical Director on behalf of the Chief Executive**

**Dated:** 25 June 2025

# Appendix 1

## Dates of Board and Committee meetings held during 2024-2025

### Quality Committee

Attendance	21.05.24	16.07.24	08.10.24	26.11.24	18.02.25	Attendance Percentage
Ceri Phillips (Chair)	✓	✓	✓	✓	✓	100.00%
Rhian Thomas (Vice Chair)	✓	✓	✓	✓	✓	100.00%
Akmal Hanuk	✓	✓	✓	X	✓	80.00%
Mike Jones	✓	✓	✓	✓	✓	100.00%
Jason Roberts	✓	✓	✓	✓	✓	100.00%
Paul Bostock	✓	✓	✓	✓	✓	100.00%
Richard Skone	✓	✓	✓	n/a	n/a	100.00%
Emma Cooke	✓	X	✓	✓	✓	80.00%
Claire Beynon	✓	✓	✓	✓	X	80.00%
Matt Phillips	X	X	✓	✓	✓	60.00%
David Fluck	n/a	n/a	n/a	✓	✓	100.00%
<b>Total</b>						<b>91%</b>

### Mental Health Legislation Committee

Attendance	30.04.24	06.08.24	29.10.24	28.01.25	Attendance Percentage
Ceri Phillips (Chair)	✓	✓	✓	✓	100.00%
Sara Moseley (Vice Chair)	✓	X	✓	✓	75.00%
Rhian Thomas	✓	✓	✓	✓	100.00%
Susan Lloyd-Selby	X	✓	✓	✓	75.00%
Rachna Upadhya	n/a	n/a	n/a	✓	100.00%
Jason Roberts	X	✓	✓	✓	75.00%
Matt Phillips	✓	✓	X	✓	75.00%
<b>Total</b>					<b>75%</b>

## Charitable Funds Committee

Attendance	11.06.24	17.09.24	10.12.24	06.01.25	18.03.25	Attendance Percentage
John Union (Chair)	✓	✓	✓	✓	✓	100.00%
Susan Lloyd-Selby	✓	✓	✓	✓	✓	100.00%
Sara Moseley	X	✓	✓	X	✓	60.00%
Catherine Phillips	✓	✓	✓	✓	X	80.00%
Rachel Gidman	✓	X	✓	✓	✓	80.00%
Emma Cooke	X	✓	X	X	X	20.00%
Matt Phillips	✓	✓	✓	✓	✓	100.00%
<b>Total</b>						<b>77%</b>

## People & Culture Committee

Attendance	09.05.24	09.07.24	10.09.24	19.11.24	21.01.25	12.03.25	Attendance Percentage
Sara Moseley	✓	✓	✓	✓	✓	✓	100.00%
Akmal Hanuk	✓	✓	✓	✓	X	✓	83.33%
Rhian Thomas	✓	✓	✓	✓	✓	✓	100.00%
Mike Jones	✓	✓	✓	✓	✓	✓	100.00%
Susan Lloyd-Selby	✓	✓	✓	X	✓	✓	83.33%
Rachel Gidman	✓	✓	✓	✓	✓	✓	100.00%
Paul Bostock	✓	✓	✓	X	✓	✓	83.33%
Claire Beynon	✓	✓	✓	✓	✓	✓	100.00%
Matt Phillips	X	✓	✓	✓	✓	✓	83.33%
<b>Total</b>							<b>93%</b>

## Audit & Assurance Committee

Attendance	20.05.24	02.07.24	11.07.24	03.09.24	05.11.24	04.02.25	Attendance Percentage
Rhian Thomas	✓	✓	✓	✓	✓	✓	100.00%
David Edwards	✓	✓	✓	✓	✓	✓	100.00%
Mike Jones	✓	✓	✓	✓	✓	X	83.33%
John Union	✓	✓	✓	✓	✓	✓	100.00%
Ceri Phillips	✓	✓	✓	✓	✓	✓	100.00%
Rachna Upadhya	n/a	n/a	n/a	n/a	n/a	X	0.00%
Catherine Phillips	✓	X	X	✓	X	✓	50.00%
Rachel Gidman	X	X	✓	✓	✓	X	50.00%
Matt Phillips	✓	✓	✓	✓	✓	X	83.33%
<b>Total</b>							<b>74%</b>

## Finance & Performance Committee

Attendance	17.04.24	22.05.24	19.06.24	17.07.24	21.08.24	18.09.24	23.10.24	20.11.24	22.01.25	19.02.25	19.03.25	Attendance Percentage
John Union	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100.00%
David Edwards	✓	✓	✓	✓	✓	X	X	✓	✓	✓	X	72.73%
Ceri Phillips	X	✓	✓	✓	X	X	✓	X	✓	✓	✓	63.64%
Steve Riley	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	X	✓	X	33.33%
Rachna Upadhya	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	X	✓	✓	66.66%
Catherine Phillips	✓	✓	X	✓	✓	✓	✓	✓	✓	X	✓	81.82%
Paul Bostock	✓	✓	X	✓	✓	✓	✓	X	✓	✓	X	72.73%
Matt Phillips	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	90.91%
<b>Total</b>												<b>73%</b>

## Digital & Infrastructure

Attendance	28.05.2024	13.08.2024	12.11.2024	11.02.2025	Attendance Percentage
David Edwards	✓	✓	✓	✓	100.00%
Akmal Hanuk	✓	✓	X	✓	75.00%
Steve Riley	n/a	n/a	n/a	X	0.00%
Susan Lloyd-Selby	✓	✓	✓	✓	100.00%
Rachna Upadhya	n/a	n/a	n/a	✓	100.00%
David Thomas	✓	✓	✓	✓	100.00%
Matt Phillips	✓	X	✓	✓	75.00%
<b>Total</b>					<b>79%</b>

## Remuneration & Terms of Service Committee

Attendance	26.06.24	01.08.24	05.11.24	27.01.25	Attendance Percentage
Charles Janczewski	✓	✓	✓	✓	100.00%
Ceri Phillips	X	X	✓	✓	50.00%
Suzanne Rankin	✓	✓	X	✓	75.00%
Rachel Gidman	✓	✓	✓	✓	100.00%
David Edwards	✓	X	✓	✓	75.00%
Rhian Thomas	✓	✓	✓	✓	100.00%
Sara Moseley	✓	✓	X	X	50.00%
John Union	X	✓	✓	✓	75.00%
Matt Philips	✓	✓	✓	✓	100.00%
<b>Total</b>					<b>81%</b>

## Board of Trustee

Attendance	09.05.2024	24.09.2024	23.01.2025	Attendance Percentage
Charles Janczewski	✓	✗	✓	66.67%
Ceri Phillips	✗	✓	✓	66.67%
Akmal Hanuk	✓	✓	✗	66.67%
Susan Lloyd-Selby	✓	✓	✓	100.00%
Steve Riley	n/a	n/a	✗	0.00%
Rhian Thomas	✓	✓	✓	100.00%
John Union	✓	✗	✓	66.67%
Sara Moseley	✗	✓	✗	33.33%
Mike Jones	✗	✓	✓	66.67%
David Edwards	✗	✓	✓	66.67%
Rachna Upadhya	n/a	n/a	✓	100.00%
Suzanne Rankin	✓	✗	✓	66.67%
Claire Beynon	✓	✗	✓	66.67%
Paul Bostock	✓	✓	✓	100.00%
Emma Cooke	✓	✓	✗	66.67%
Marie Davies	✓	✓	✗	66.67%
Rachel Gidman	✓	✗	✓	66.67%
Catherine Phillips	✓	✓	✓	100.00%
Jason Roberts	✓	✗	✓	66.67%
Richard Skone	✓	✓	✓	100.00%
David Fluck	n/a	n/a	✗	0.00%
Matt Phillips	✓	✓	✓	100.00%
Joanne Brandon	✓	✓	✓	100.00%
<b>Total</b>				<b>71%</b>

## Board

Attendance	13.05 .24	11.07 .24	25.07 .24	26.09 .24.	28.11 .24	30.01 .25	27.03 .25	Attendance Percentage
Charles Janczewski	✓	✓	✓	X	✓	✓	✓	85.71%
Ceri Phillips	✓	✓	X	✓	✓	✓	✓	85.71%
Akmal Hanuk	✓	✓	✓	✓	✓	X	X	71.43%
Susan Lloyd-Selby	✓	✓	✓	✓	✓	X	X	71.43%
Rhian Thomas	✓	✓	✓	✓	✓	✓	✓	100.00%
Steve Riley	n/a	n/a	n/a	n/a	X	✓	✓	66.67%
John Union	✓	✓	✓	✓	X	✓	✓	85.71%
Sara Moseley	X	✓	✓	✓	✓	X	✓	71.43%
Mike Jones	✓	✓	✓	✓	✓	✓	✓	100.00%
David Edwards	✓	✓	✓	✓	✓	X	X	71.43%
Rachna Upadhya	n/a	n/a	n/a	n/a	n/a	✓	✓	100.00%
Suzanne Rankin	✓	✓	✓	X	✓	✓	✓	85.71%
Claire Beynon	✓	✓	✓	✓	✓	✓	X	85.71%
Paul Bostock	✓	✓	✓	✓	✓	✓	X	85.71%
Emma Cooke	✓	✓	✓	✓	X	✓	X	71.43%
Marie Davies	✓	✓	✓	✓	✓	✓	n/a	100.00%
Rachel Gidman	✓	✓	✓	✓	✓	✓	X	85.71%
Catherine Phillips	✓	X	✓	✓	✓	✓	X	71.43%
Jason Roberts	✓	✓	✓	✓	✓	✓	✓	100.00%
Richard Skone	✓	✓	✓	X	X	✓	n/a	66.67%
David Fluck	n/a	n/a	n/a	n/a	✓	X	✓	66.67%
Matt Phillips	✓	✓	✓	✓	✓	✓	✓	100.00%
David Thomas	✓	✓	✓	✓	✓	✓	✓	100.00%
<b>Total</b>								<b>84%</b>

All meetings held were quorate with the exception of the Charitable Funds Committee held 18 March 2025.

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 where appropriate.

**Table 1 - The Board Champion Roles during 2024-2025**

Board Member	Champion Role
Charles Janczewski	Putting Things Right Wellbeing of Future Generations Act
Ceri Phillips	Mental Health
David Edwards	Armed Forces & Veterans
Susan Lloyd-Selby	Social Services & Wellbeing (Wales) Act
Akmal Hanuk	Infection, Prevention & Control
Sara Moseley	Equality
Rhian Thomas	Children & Young People
Mike Jones	Raising Concerns
Jason Roberts	Children & Young People Putting Things Right
Paul Bostock	Age Protected Characteristic
Catherine Phillips	Emergency Planning
Matt Phillips	Armed Forces & Veterans
Rachel Gidman	Fire Safety Violence & Aggression Welsh Language
Claire Beynon	Sex/Gender Protected Characteristic
David Thomas	Equality

**Table 2 - Dates of Advisory Group meetings held during 2024-2025**

Date of meetings held:					
Stakeholder Reference	28.05.24	09.09.24	26.11.24	26.03.25	13.02.25
Local Partnership Forum	11.04.24	13.06.24	05.08.24	09.10.24	11.04.24

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

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

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 2024/25.

### WHC List 2024/25 received by the organisation

[Health circulars: 2024 to 2027 | GOV.WALES](#)

Welsh Health Circular	Date/Year of Adoption
Implementation of the non-pay parts of the 2022 to 2024 collective agreement (WHC/2024/017)	05.04.2024
Suspected cancer pathway: guidelines (WHC/2024/07)	09.04.2024
Healthy Child Wales Programme: for school aged children (WHC/2024/016)	11.04.2024
Changes to standing orders in health boards and NHS trusts (WHC/2024/019)	23.04.2024
Introducing ONS geographic codes for use as standard in NHS Wales (WHC/2024/014)	07.05.2024
New treatment fund: directions on the exemptions for health boards and trusts (WHC/2024/020)	13.04.2024
Anti-violence collaborative obligatory responses document (WHC/2024/024)	21.05.2024
NHS Wales national clinical audit and outcome review plan 2024 to 2025 (WHC/025/24)	04.06.2024
NHS Wales financial monitoring guidance 2024 to 2025 (WHC/2024/026)	11.06.2024
Certification of vision impairment in primary and community care (WHC/2024/029)	11.06.2024
The national influenza immunisation programme 2024 to 2025 (WHC/2024/028)	12.06.2024
Agency workforce reduction programme and control framework 2024 to 2025 (WHC/2024/031)	17.06.2024
Critical care escalation guidance (WHC/2024/027)	19.06.2024
Introduction of RSV vaccination programme 2024 (WHC/2024/032)	25.06.2024
Published weight management medication pathway (WHC/2024/030)	03.07.2024
Winter respiratory vaccination programme 2024 to 2025 (WHC/2024/033)	02.08.2024
Governance on interim appointments to executive and senior positions (WHC/2024/013)	22.08.2024

Welsh Health Circular	Date/Year of Adoption
National framework for commissioning care and support (WHC/2024/0234)	28.08.2024
Oxygen cylinders: regulation 28 report and patient safety notice 041 reminder (WHC/2024/036)	30.08.2024
Standardising the management of acute deterioration (WHC/2024/035)	17.09.2024
Healthcare associated infections and antimicrobial resistance goals 2024 to 2025 (WHC/2024/038)	27.09.2024
Winter respiratory framework 2024 to 2025 (WHC/2024/037)	20.09.2024
Pre-transfusion sample taking (WHC/2024/039)	03.10.2024
Adopting a patient and family-initiated escalation approach (WHC/2024/040)	04.10.2024
Ambulance patient handover guidance (WHC/2024/041)	25.10.2024
Anti-racism e-learning module (WHC/2024/044)	05.11.2024
Pertussis vaccination for healthcare workers (WHC/2024/043)	15.11.2024
Spotting sepsis in children, awareness leaflet (WHC/2024/045)	18.11.2024
Integration framework for internationally educated nurses (WHC/2024/021)	25.11.2024
Change to the influenza vaccination programme 2024 to 2025 (WHC/2024/046)	04.12.2024
COVID-19 spring vaccination programme 2025 (WHC/2024/047)	19.12.2024
Infected Blood Inquiry: carrying out recommendation 8a and 8b (WHC/2024/050)	20.12.2024
Health board allocations: 2025 to 2026 (WHC/2024/051)	27.01.2025
Disputed debts between NHS organisations: guidance (WHC/2024/022)	03.02.2025
Timelines and responsibilities for Early Warning Scores (EWS) (WHC/2025/002)	04.03.2025
NHS Wales sustainability conference and awards (WHC/2025/005)	06.03.2025
Climate emergency leadership day and adaptation (WHC/2025/005)	12.03.2025

## Appendix 2

### Ministerial Directions 2024/25 received by the organisation

[Publications | GOV.WALES](#)

Ministerial Directions (MD)	Date/Year of Adoption
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2024	19.04.2024
The Directions to Local Health Boards and NHS Trusts in Wales 2003 and the Managed Introduction of New Medicines into the National Health Service in Wales Directions 2009 (Amendment) (Wales) Directions 2024	29.04.2024
The Primary Medical Services (Directed Supplementary Services) (Wales) Directions 2024	24.06.2024
The Primary Medical Services (Pertussis Immunisation for Pregnant and Post-Natal Women) (Directed Supplementary Services) (Wales) Directions 2024	24.06.2024
The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Directed Supplementary Service) (Wales) Directions 2024	24.06.2024
The Primary Medical Services (Oral Anti-coagulation with Warfarin) (Directed Supplementary Services) (Wales) Directions 2024	24.06.2024
The Primary Medical Services (Hormone Treatment Scheme for Adult Transgender Patients) (Directed Supplementary Service) (Wales) Directions 2024	24.06.2024
The Primary Medical Services (Antivirals for Prophylaxis of Seasonal Influenza in Care Home Outbreaks) (Directed Supplementary Service) (Wales) Directions 2024	24.06.2024
The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) Directions 2024	24.06.2024
The Alternative Provider Medical Services (Wales) Directions 2024	05.07.2024
The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2024	23.08.2024
The Directions to Local Health Boards and NHS Trusts in Wales on the National Framework for Commissioning Care and Support 2024	28.08.2024
Pharmaceutical Services (Clinical Services) (Wales) (Amendment) Directions 2024	30.09.2024

Welsh Health Circular	Date/Year of Adoption
The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2024	10.10.2024
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2024	28.10.2024
The Local Health Board Medical Services (Wales) Directions 2024	03.12.2024
The directed supplementary services directions and specification for complex multi-morbidity and frailty 2024	19.12.2024
The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	10.02.2025
The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	10.02.2025
The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	10.02.2025
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2025	11.02.2025
The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	18.02.2025
The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	18.02.2025
Statement of general ophthalmic services remuneration and fee directions: 2025	21.02.2025
The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	21.02.2025
The Wales Infected Blood Support Scheme (amendment) Directions 2025	28.03.2025

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# Remuneration and Staff Report

## Part 2b

# 16. Remuneration and Staff Report

## 16.1 Staff Numbers

The Health Board'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 2024 were as follows:

	Female	Male	Total
Director	9	10	19
Manager	213	129	342
Employee	13,685	4,329	18,014
Total	13,907	4,468	18,375

## 16.2 Staff Composition

We have a diverse workforce of 18,375 staff working in many different types of roles, and together with volunteers, colleagues in social care and carers, we have a huge impact on our population. We must know and understand the shape of our workforce if we are to successfully monitor and revise plans that result in the right workforce at the right time, enabling and empowering the workforce to work to the 'top of their licence' or scope of practice. Our People and Culture Plan recognises that in addition to the challenges brought about by the pandemic and the necessary period of

recovery, we, along with the broader NHS in Wales, face social, economic, technological and demographic changes. As a result of this the demographic of our workforce also needs to change, and we must adjust the way we recruit, retain and support our people.

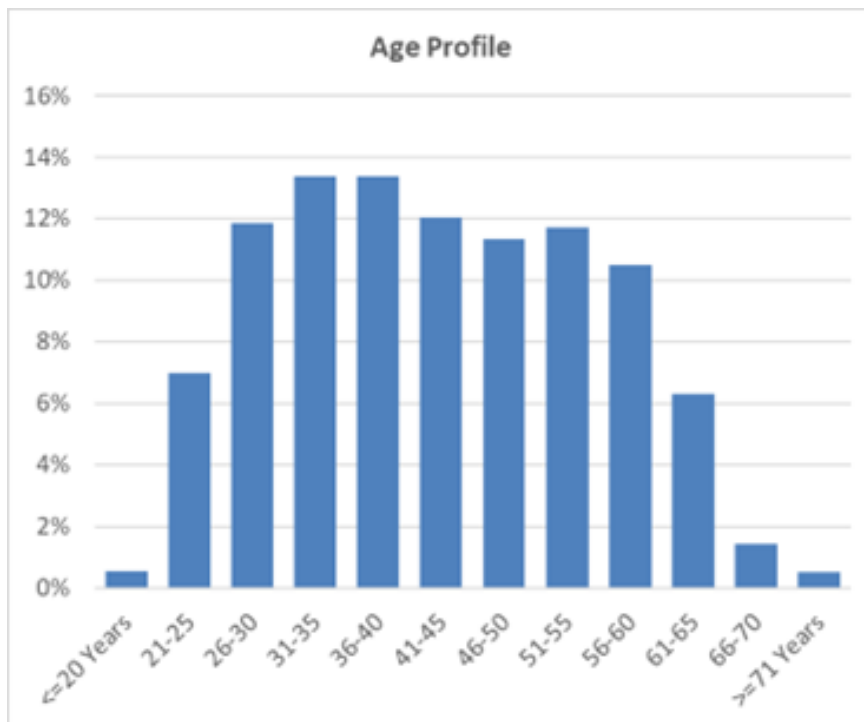
The charts below indicate the following challenges when determining optimal ways to deploy the current and future workforce and how to consider future supply against service priorities:

- The UHB has an aging workforce with the largest age categories being aged 31-35 years (2,417 staff), 36-40 years (2,546 staff) and 41-15 (2,254 staff)
- The largest grade categories are staff in Agenda for Change Bands 2, 5 and 6. Continually reviewing skill mix and new ways of working is important in ensuring adequate future supply of skills in the right place and grade. There is also a need for further workforce modernisation, new roles and extended skills, supported by the improvement of workforce intelligence and workforce planning skills. This includes the development of appropriate efficiency and productivity measures that help facilitate benchmarking and demonstrate value as our workforce shape continues to change.
- The majority of the workforce is female (75.68%) with a fairly even split in this group of full-time (51.10%) and part-time working (48.90%). Use of our employment policies, such as the Adaptable Workforce Policy and Flexible Working Policy is crucial to retaining talent and keeping staff engaged.

- The majority of the workforce is white (72.88%) with 18.10% in Black and Minority Ethnic categories and 11.31% not stated. The Strategic Equality Plan has a number of actions to continue review of our workforce in this regard to ensure it strives to reflect the local population where relevant e.g. in recruiting practices.
- The nursing and midwifery registered staff and unregistered nursing staff make up just over 43% of the total workforce. Given there is a recognised national shortage of registered nurses, the UHB has made nurse sustainability a high priority on its workforce

agenda. Although we can't influence the actual supply of registered workforce in the short term, we can concentrate our efforts on attracting people by improving the branding of the UHB, promoting the benefits of working here, and targeting specific groups in society.

Workforce profile information collected for the UHB in March 2025 shows that 7.84% of staff consider themselves to have a disability, but this information is not known for a significant number of staff (16.14%).



## 16.3 Sickness Absence Data

The health and wellbeing of Cardiff and Vale UHB staff is of utmost importance, especially at this unprecedented time and much of the work carried out in 2024-25 has been described in the Performance Report.

**Sickness absence** remains a priority for the UHB. The cumulative sickness rate for the 12-month period up to and including March 2025 is 6.33% which is 0.33% above the 2024/25 year-end target of 6.00%

66.04% of this sickness was attributed to long-term absence and 33.96% to short-term absence. The UHB top reasons recorded for absence during 2024-25 were 'Anxiety/stress/depression/other psychiatric illnesses' and 'Cold, Cough, Flu – Influenza'.

The following table provides information on the number of days lost due to sickness during 2023-24 and 2024-25

	2024-25	2023-24
	Number	Number
WTE Calendar Days lost (long term)	231,569.64	220,631.64
WTE Calendar Days lost (short term)	119,080.94	115,748.36
<b>Total WTE calendar days lost</b>	<b>350,650.58</b>	<b>336,380.00</b>
<b>Total WTE calendar days available /365.25 = average WTE staff in post</b>	15,166.43	<b>14,813.19</b>
Average WTE calendar days lost (i.e per WTE)	23.12	22.72
Total staff employed in period (headcount)	17,454	17,096
Total staff employed in period with no absence (headcount)	5,197	5,404
<b>Percentage staff with no sick leave</b>	<b>31.61%</b>	<b>31.25%</b>

## 16.4 Staff Policies

At Cardiff and Vale UHB, we have 6 local UHB employment Policies:

- Recruitment and Selection
- Adaptable Workforce
- Employee Health and Wellbeing
- Learning Education and Development
- Equality, Inclusivity and Human Rights Policy
- Maternity, Adoption, Paternity and Shared Parental Leave

These set out our organisational commitments and what we are aiming to achieve. Each of them is supported by a number of Procedures which describe the processes to follow, roles & responsibilities, and any entitlements or obligations. This means there is less duplication, more transparency and information which is easier to understand. These are in addition to the All-Wales Policies which apply to us and all other Health Boards in Wales All employment and other related

People Services (Human Resources) and People and Culture policies, procedures and guidelines are required to have at least two authors, i.e. a management and staff representative and they are subject to robust consultation processes. This includes publication on the UHB Sharepoint site for a period of at least 28 days and consideration at the Employment Policies Subgroup of the Local Partnership Forum.

As an employer we are committed to providing meaningful equality of opportunity and inclusion for all employees, regardless of their protected characteristics), as is demonstrated by our **Equality, Inclusivity and Human Rights Policy**. Its remit goes beyond strict compliance with the law and acts as a reference point in the event of any subsequent disputes.

The UHB is committed to equal opportunities in recruitment, and demonstrates this by displaying the Disability Confident Leader symbol (which replaces the 'two ticks' scheme) in all adverts, as well as Supporting Age Positive, Mindful Employer and Stonewall Cymru symbols.

The **Employee Health and Wellbeing Policy** outlines our commitment to encouraging and empowering all staff to take personal responsibility for their lifestyle choices and health and wellbeing. It also sets out our commitment to guide and support managers in their roles and responsibilities around both supporting healthy workplaces and work practices, and in engaging in effective conversations with individuals and teams. The responsibility of the UHB in providing

a workplace, culture and environment that enables being healthy and well at work is also recognised

The NHS Wales **Managing Attendance at Work Policy** assists managers in supporting staff when they are ill, manage their absence and help facilitate their timely return to work in a compassionate way. The policy is proactive by placing responsibility on line managers to know their staff and focus on their health and wellbeing to keep them well and in work.

The Managing Attendance at Work Policy includes a number of toolkits. One of these deals with reasonable/tailored adjustments – it reminds managers of our legal duty to make reasonable adjustments to ensure workers with disabilities, or physical or mental health impairments, are not disadvantaged when doing their jobs or during the recruitment process. The Policy states that not all illnesses are disabilities, however, if an employee is asking for support with a health and wellbeing condition, it is best to provide the support accordingly, assuming it is proportionate to do so. There are many benefits to this including supporting the employee back into work and helping them remain in work.

In 2024, more than 200 managers have attended face-to-face training sessions on Managing Attendance at Work. A Task & Finish group is currently being established to review these training sessions, ensuring they remain effective and relevant in equipping managers with the skills and confidence to support staff and maximise attendance at work. As part of this review, the group will also develop a series of short, tailored, bite-sized digital training modules covering key

topics such as reasonable adjustments, short-term sickness and review prompts, long-term sickness meetings and ill Health Retirement processes. These resources will be made readily available to managers, providing them with the tools needed to manage and support their teams effectively. Additionally, the training will offer guidance on available options and processes, while also signposting managers and staff to various health, wellbeing, and support networks

The **Redeployment Procedure** supports employees whose employment is at risk to find suitable alternative employment within Cardiff and Vale University Health Board, ensuring continuity of employment. Redeployment gives us the opportunity to be innovative, making full use of the skills and experience of all staff to respond to these challenges.

Redeployment should be utilised to retain and develop experienced and skilled staff. There are a number of reasons why an employee's job can be at risk, including reasons such as organisational change, ill health, disciplinary, capability/performance, relationship breakdown and the non-renewal of a fixed term contract.

The aim of the procedure is to ensure a fair and equitable approach to redeployment is followed, whilst providing a comprehensive guide for managers and employees surrounding their responsibilities, and the principles and process of redeployment.

The redeployment procedure was last reviewed in 2024 and the focus has shifted to a more compassionate and positive approach. This has been

achieved mainly through changing the language used and outlining the main purpose and ethos of the procedure throughout. The focus has moved from just purely focusing on sickness redeployments to widening the context, to all other reasons for redeployment, as outlined above.

The ethos that has really been highlighted throughout this updated procedure is to retain and develop experienced and skilled staff and look at redeployment as a more positive process.

## 16.5 Salary and Pension Entitlements of Senior Managers 2024-2025

Full details of senior managers' remunerations for 2024-25 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 2024-25

Salaries of Senior Managers

Name and title	31-Mar-2025						
	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 (Rounded to the nearest £000)	Total (bands of £5,000)
	£000	£000	£000	£000	£00	£000	£000
<b>Cardiff and Vale University Local Health Board</b>							
<u>Officer Members</u>							
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	82	245-250
Jason Roberts, Executive Nurse Director	155-160	155-160	0	0	17	44	200-205
Richard Skone , Interim Executive Medical Director	205-210	105-110	0	0	9	161	265-270
David Fluck, Executive Medical Director	215-220	100-105	5-10	0	0	25	135-140
Catherine Phillips, Executive Director of Finance	195-200	195-200	0	0	14	83	280-285
Rachel Gidman, Executive Director of People and Culture	160-165	160-165	0	0	15	77	235-240
Emma Cooke , Executive Director of Therapies & Health Science	140-145	130-135	0	0	10	236	365-370
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	365-370
Claire Beynon, Executive Director of Public Health	140-145	140-145	0	0	0	115	255-260
<u>Other Directors</u>							
Matt Phillips, Director of Corporate Governance	130-135	130-135	0	0	7	32	160-165
David Thomas, Director of Digital and Health Intelligence	130-135	130-135	0	0	15	35	165-170
<u>Independent Members (IM)</u>							
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 Upadhy, 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
<u>Honorary Independent Member</u>							
Steve Riley - Universities	0	0	0	0	0	0	0-5
<u>Associate Members</u>							
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.

Salaries of Senior Managers

Name and title	31-Mar-2024						
	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 (Rounded to the nearest £000)	Total (bands of £5,000)
	£000	£000	£000	£000	£000	£000	£000
<b>Cardiff and Vale University Local Health Board</b>							
<u>Officer Members</u>							
Suzanne Rankin, Chief Executive	230-235	230-235	0-5	0	4	0	230-235
Paul Bostock, Chief Operating Officer	155-160	155-160	0	0	0	0	155-160
Jason Roberts, Executive Nurse Director	145-150	145-150	0	0	9	0	145-150
Abigail Harris, Executive Director of Strategic Planning	145-150	145-150	0	0	0	0	145-150
Catherine Phillips, Executive Director of Finance	190-195	190-195	0	0	15	0	190-195
Rachel Gidman, Executive Director of People and Culture	150-155	150-155	0	0	15	29	180-185
Fiona Jenkins, Executive Director of Therapies and Health Science	70-75	70-75	0	0	0	0	70-75
Meriel Jenney, Executive Medical Director	195-200	195-200	0	0	0	0	195-200
Fiona Kinghorn, Executive Director of Public Health	135-140	100-105	0	0	0	0	100-105
Claire Beynon, Executive Director of Public Health	135-140	30-35	0	0	0	25	55-60
<u>Other Directors</u>							
James Quance, Interim Director of Corporate Governance	115-120	40-45	0	0	2	24	60-65
Matt Phillips, Director of Corporate Governance	120-125	80-85	0	0	1	17	95-100
David Thomas, Director of Digital and Health Intelligence	125-130	125-130	0	0	13	29	150-155
<u>Independent Members (IM)</u>							
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
Susan Elsmore, Independent Member - Local Authority	15-20	5-10	0	0	0	0	5-10
Michael Imperato, Independent Member - Legal	15-20	5-10	0	0	0	0	5-10
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
Keith Harding, Independent Member - University	15-20	10-15	0	0	0	0	10-15
Mike Jones, Independent Member - Trade Union	0	0	50-55	0	0	0	50-55
Susan Lloyd-Selby, Independent Member - Local Authority	15-20	0-5	0	0	0	0	0-5
<u>Associate Members</u>							
Lance Carver, Associate Member - Local Authority	0	0	0	0	0	0	0-5
Lani Tucker, Associate Board Member - Chair of Stakeholder Reference Group	0	0	0	0	0	0	0-5
Sam Austin, Chair, 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.

For Officers, Members and Other Directors the salary banding includes a 5% uplift in relation to financial year 2023/24, the payment was paid in March 2024. This payment was after the Greenbury requests had been made to the pensions agency; due to this there will be some differences between the figures in the remuneration reports and those that would be obtained on revised salaries.

Paul Bostock, Jason Roberts, Abigail Harris, Fiona Kinghorn and Catherine Phillips were affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

Fiona Kinghorn retired on 29th December 2023 and took pension benefits on 30th december 2023.

### Salary and Pension entitlements of Senior Managers

Mike Jones is 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.

Jason Roberts, Catherine Phillips, Rachel Gidman, Richard Skone, 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 2024-25 the total amount of £59,526 swapped for the use of the car has been included in the Salary column as follows:

J Roberts £12,609  
C Phillips £7,717  
R Gidman £10,690  
R Skone £4,999  
E Cooke £7,778  
D Thomas £9,087  
M Phillips £6,646

### Changes to Board Membership in 2024-25

- (1) **Marie Davies** started the role as Interim Executive Director of Strategic Planning on 1st April 2024; and left the organisation as Interim Executive Director of Strategic Planning on 31st January 2025.
- (2) **Richard Skone** started the role as Interim Executive Medical Director on 1st April 2024, and ended his role as Interim Executive Medical Director on 6th October 2024.
- (3) **David Fluck** started as Executive Medical Director on 7th October 2024.
- (4) **Fiona Jenkins** left the role as Executive Director of Therapies on 30th April 2024.
- (5) **Emma Cooke** started the role as Interim Executive Director of Therapies on 1st May 2024. She then started the role as substantive Executive Director of Therapies on June 1st 2024.
- (6) **Steve Riley** started as an Honorary Independent Member for Universities on 1st October 2024.
- (7) **Rachna Upadhya** started as a General Independent Member on 2nd January 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 (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension age at 31/03/25 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31/03/2025 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2025 £000	Cash Equivalent Transfer Value at 31 March 2024 £000	Real increase (decrease) in Cash Equivalent Transfer Value £000	Employer's contribution to stakeholder pension To nearest £100
Paul Bostock, Chief Operating Officer	2.5-5	2.5-5	60-65	155-160	1,413	1,220	90	-
Jason Roberts, Executive Nurse Director	2.5-5	0-2.5	65-70	170-175	1,490	1,330	53	-
Richard Skone, Interim Executive Medical Director	7.5-10	12.5-15	55-60	135-140	1,131	902	75	-
David Fluck, Executive Medical Director	0-2.5	0	0-5	0	67	31	10	-
Catherine Phillips, Executive Director of Finance	5-7.5	2.5-5	85-90	230-235	2,064	1,815	99	-
Rachel Gidman, Executive Director of People and Culture	2.5-5	2.5-5	55-60	145-150	1,304	1,126	83	-
Emma Cooke, Executive Director of Therapies & Health Science	10-12.5	25-27.5	40-45	110-115	950	660	210	-
Marie Davies, Interim Executive Director of Planning	10-12.5	10-12.5	65-70	75-80	1,286	1,000	170	-
Claire Beynon, Executive Director of Public Health	5-7.5	10-12.5	30-35	75-80	696	534	109	-
Matt Phillips, Director of Corporate Governance	0-2.5	0	0-5	-	48	17	15	-
David Thomas, Director of Digital and Health Intelligence	2.5-5	0	10-15	-	212	155	31	-

Note 1 - Suzanne Rankin, Chief Executive is not a member of the NHS Pension scheme and therefore no pension figures are reported.

Note 2 - Fiona Jenkins, Executive Director of Therapies until April 30th 2024 was also not a member of the NHS Pension scheme in 24/25.

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 2025.

**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 its annual accounts, the Health Board spent £1.443m on consultancy services during 2024-25 compared to £1.207m in 2023-24. The majority of this expenditure going towards projects aimed at delivering better clinical outcomes and 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 2025 earning £245 per day or greater.**

No. of existing engagements as of 31 March 2025	0
Of which:	
No that existed at the time of reporting less than 1 year	0
for between 1 and 2 years	0
for between 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.

**All highly paid off-payroll workers engaged at any point during the year ended 31st March 2025, earning £245 per day or greater**

No. of temporary off payroll workers, during the year ended 31st March 2025	23
Not subject to off-payroll legislation	23
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 2024 and 31 March 2025**

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. of individuals that have been deemed "board members, and/or senior officials with significant financial responsibility", during the financial year.	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 2024-2027, placed a requirement upon Local Health Boards in Wales (LHBs) to prepare and submit an Integrated Medium Term Plan to the Welsh Government. Cardiff and Vale LHB did not submit an Integrated Medium Term Plan for the period 2024-2027.

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.

In the absence of an approved Integrated Medium Term Plan, the LHB submitted a one year Operational Plan in respect of the 2024-25 financial year.

This plan initially projected a planned deficit of £15.9m. However, the planned deficit was revised upwards to a deficit of £27.7m following a deterioration in the delivery savings and increasing operational deficits. This increased deficit was supported, in part, through additional funding of £6.8m from Welsh Government.

The financial performance for the year, as contained in the accounts is a year-end deficit of £27.267m for 2024-25.

The Health Board had a deficit of £26.789m in 2022/23 and a deficit of £16.404m in 2023/24. This means that over the three-year period, the aggregated deficit is £70.820m. This spend constitutes irregular expenditure.

### 17.1.2 Long Term Expenditure Plans 2020-2025

	2020-21 £'000	2021-22 £'000	2022-23 £000	2023-24 £000	2024-25 £000
<b>Net operating costs for the year</b>	1,220,369	1,228,135	1,309,705	1,388,556	1,536,764
Less general ophthalmic services expenditure and other non-cash limited expenditure	(13,386)	(14,237)	(13,361)	(13,794)	(13,833)
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(1,028)	(222)	(222)	(222)	(222)
Total operating expenses	1,205,955	1,213,676	1,296,122	1,374,540	1,522,709
Revenue Resource Allocation	1,206,045	1,213,908	1,269,333	1,358,136	1,495,082
<b>Under /(over) spend against Allocation</b>	<b>90</b>	<b>232</b>	<b>(26,789)</b>	<b>(16,404)</b>	<b>(27,627)</b>

Cardiff and Vale University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

The Health Board received £21m cash-only support from Welsh Government during 2024-25, £9.1m strategic support and £11.9m working capital support. 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.

## Performance Against the Capital Resource Limit

### 2.2 Capital Resource Performance

	2022-23 £000	2023-24 £000	2024-25 £000	Total £000
<b>Gross capital expenditure</b>	56,111	46,218	68,197	170,526
Add: Losses on disposal of donated assets	8	4	0	12
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(140)	(114)	(206)	(460)
Adjustment for transfers (to)/from NHS Trusts	0	0	(7,799)	(7,799)
Less capital grants received	0	0	0	0
Less donations received	(414)	(577)	(572)	(1,563)
Less IFRS16 Peppercorn income	(143)	0	(712)	(855)
Less <b>initial recognition</b> of RoU Asset Dilapidations	(100)	0	0	(100)
Charge against Capital Resource Allocation	55,322	45,531	58,908	159,761
Capital Resource Allocation	55,410	45,603	59,156	160,169
<b>(Over) / Underspend against Capital Resource Allocation</b>	<b>88</b>	<b>72</b>	<b>248</b>	<b>408</b>

Cardiff and Vale University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

### Performance against the Capital Resource Limit

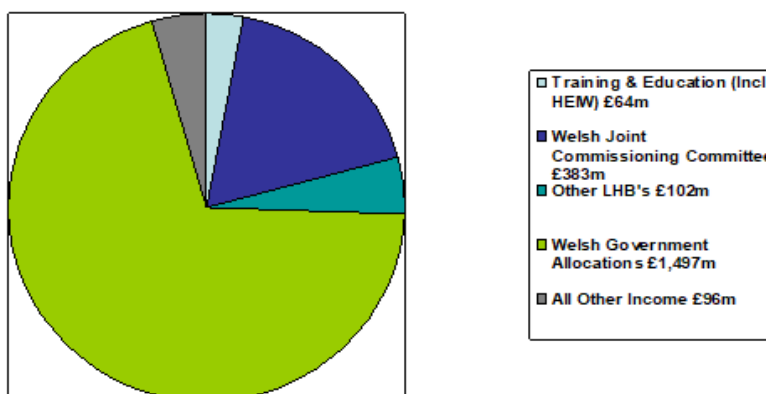
	2022-23 £000	2023-24 £000	2024-25 £000	Total £000
<b>Gross capital expenditure</b>	56,111	46,218	68,197	170,526
Add: Losses on disposal of donated assets	8	4	0	12
Less NBV on disposal of property, plant and equipment, right of use and	(140)	(114)	(206)	(460)
Adjustment for transfers (to)/from NHS Trusts	0	0	(7,799)	(7,799)
Less capital grants received	0	0	0	0
Less donations received	(414)	(577)	(572)	(1,563)
Less IFRS16 Peppercorn income	(143)	0	(712)	(855)
Less initial recognition of RoU Asset Dilapidations	(100)	0	0	(100)
Charge against Capital Resource Allocation	55,322	45,531	58,908	159,761
Capital Resource Allocation	55,410	45,603	59,156	160,169
<b>(Over) / Underspend against Capital Resource Allocation</b>	<b>88</b>	<b>72</b>	<b>248</b>	<b>408</b>

Cardiff and Vale University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

## How the Health Board has received its Revenue Funding

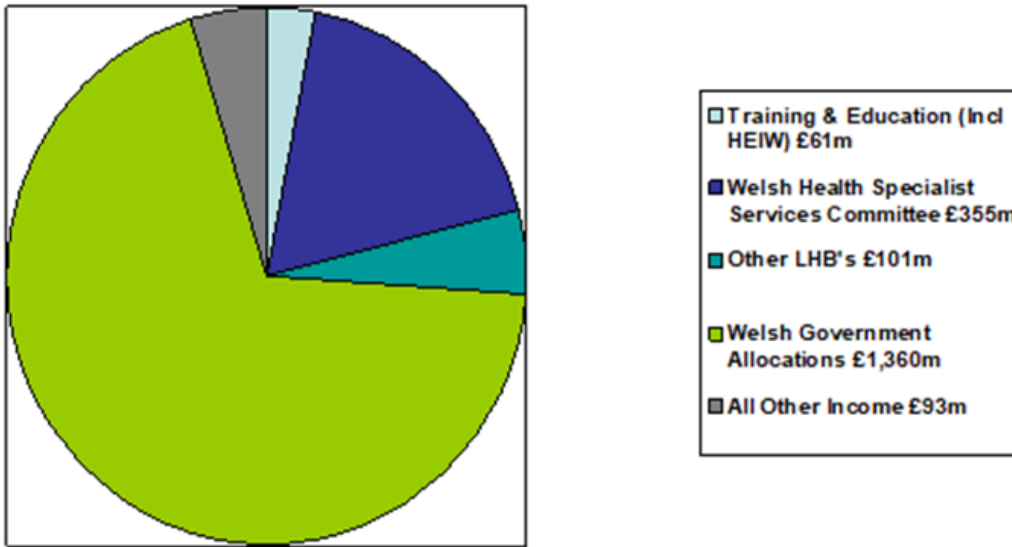
2024/25

Annual Income £2,142



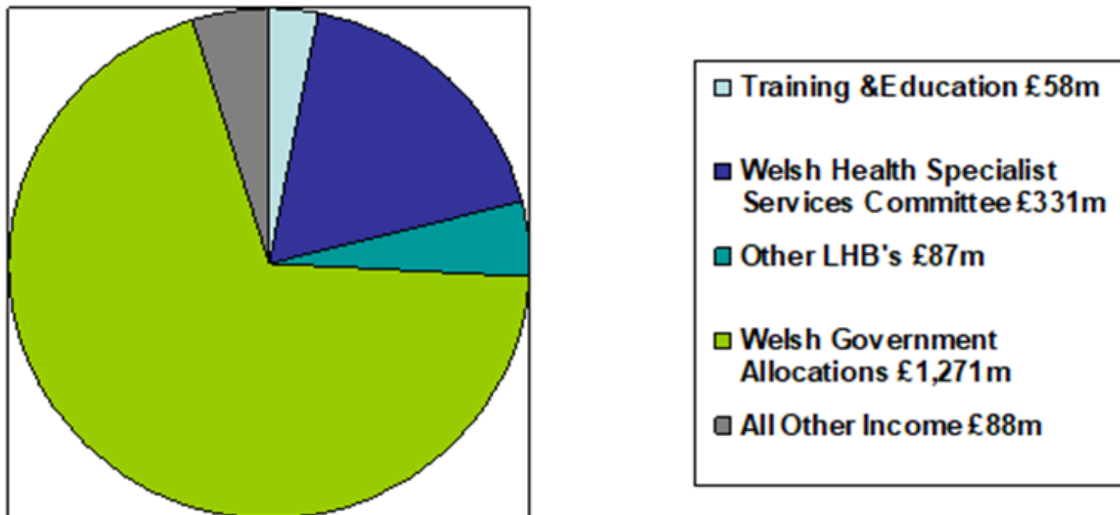
2023/24

Annual Income £1,970m



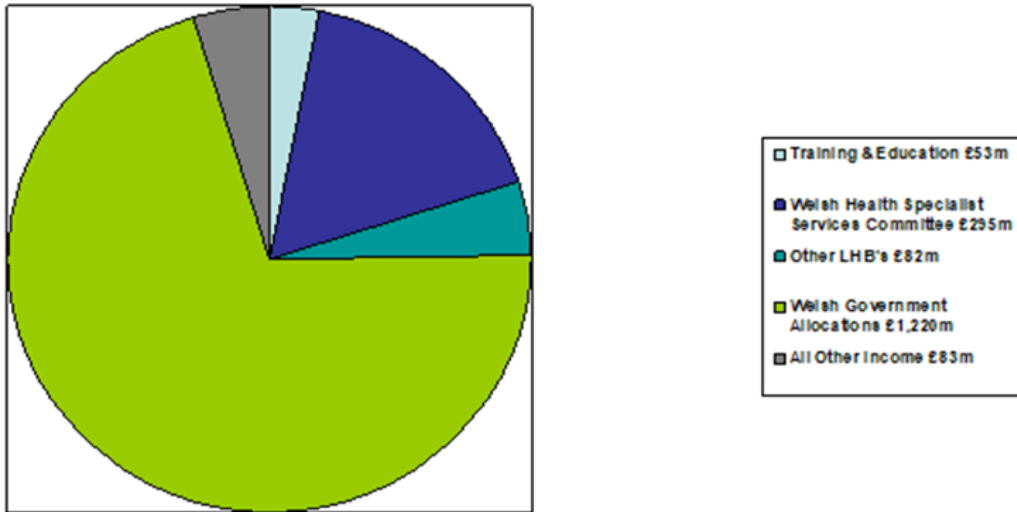
2022/23

Annual Income £1,835m



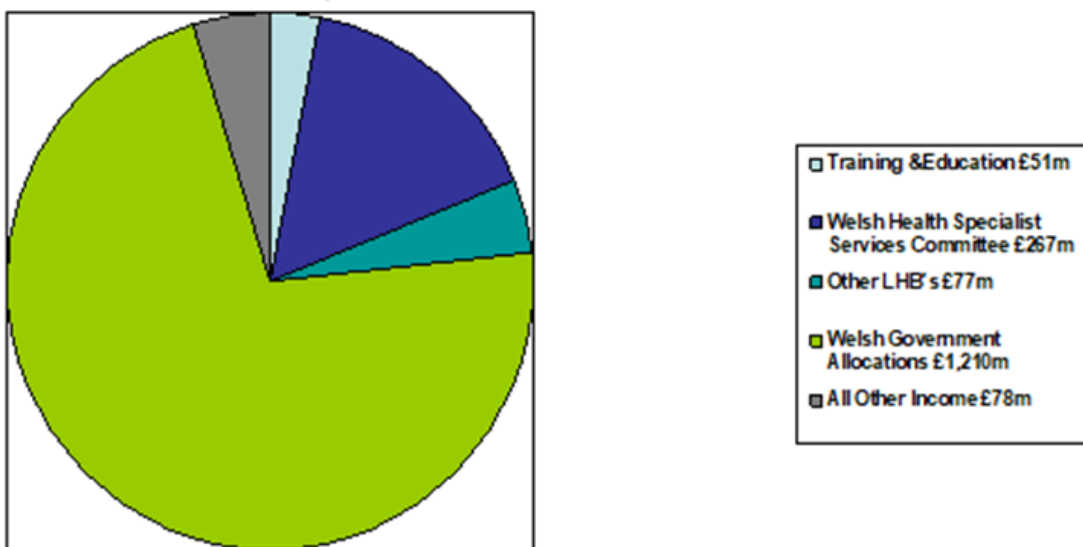
2021/22

**Annual Income £1,733m**



2020/21

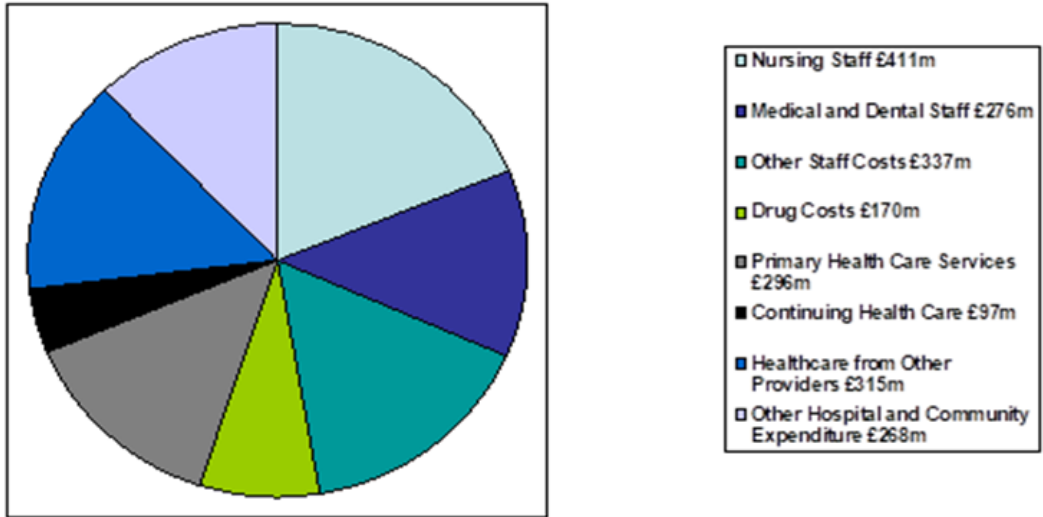
**Annual Income £1,683m**



As disclosed in the performance against break even duty table above, the UHB 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).

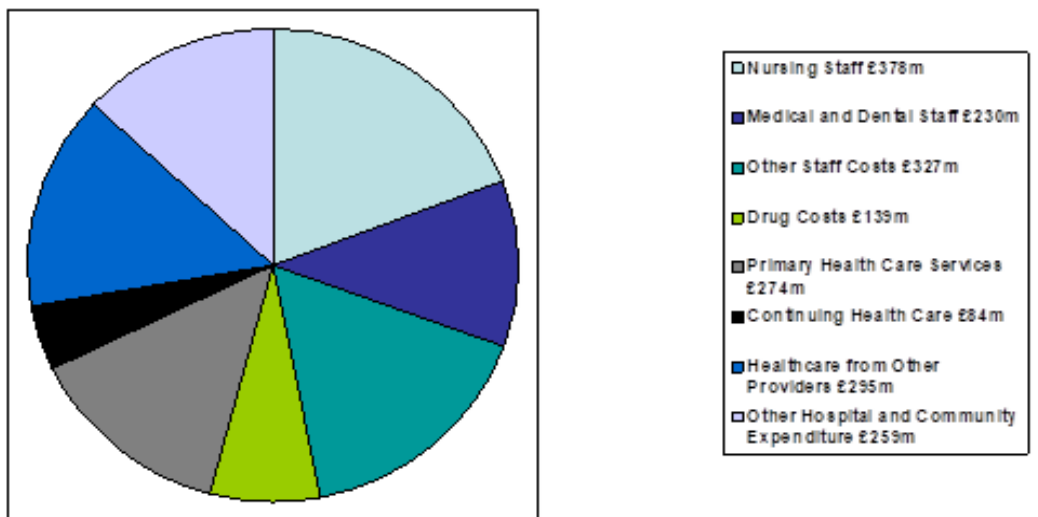
# How the UHB has utilised its Revenue Funding 2024/25

Annual Expenditure £2,170m



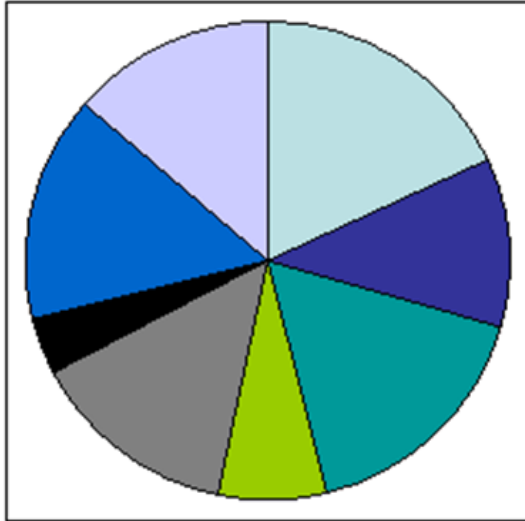
2023/24

Annual Expenditure £1,986m



2022/23

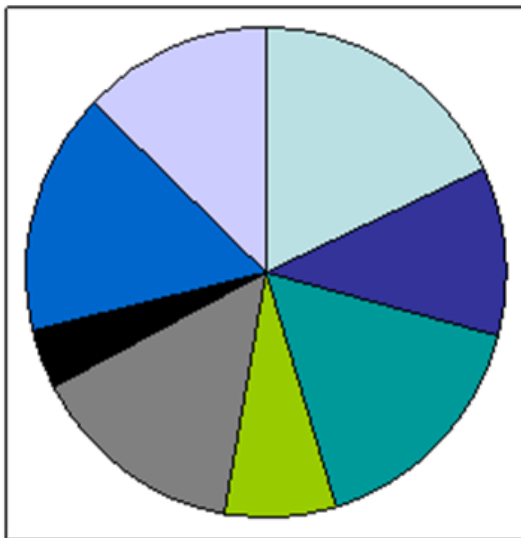
**Annual Expenditure £1,862m**



- Nursing Staff £338m
- Medical and Dental Staff £208m
- Other Staff Costs £13m
- Drug Costs £135m
- Primary Health Care Services £258m
- Continuing Health Care £73m
- Healthcare from Other Providers £286m
- Other Hospital and Community Expenditure £251m

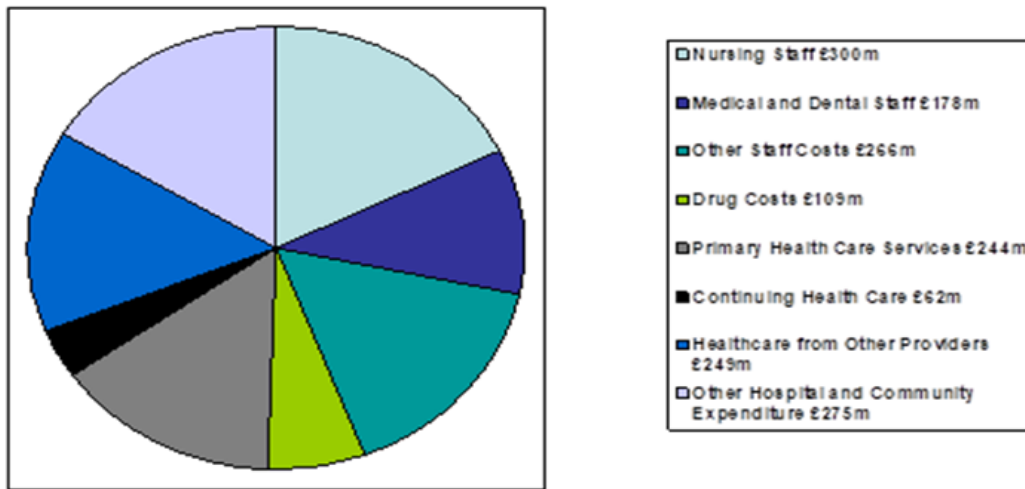
2021/22

**Annual Expenditure £1,733m**



- Nursing Staff £315m
- Medical and Dental Staff £190m
- Other Staff Costs £28m
- Drug Costs £131m
- Primary Health Care Services £250m
- Continuing Health Care £66m
- Healthcare from Other Providers £280m
- Other Hospital and Community Expenditure £220m

**Annual Expenditure £1,683m**



### 17.3 Fees and Charges

The Health Board 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 the UHB, 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 69) 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, the Health Board had net remote contingent liabilities as at March 31st 2025 of £0.316m. 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 and Vale University Health Board for the year ended 31 March 2025 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 and Vale University Health Board as at 31 March 2025 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 and Vale University Health Board's financial statements because the Health Board has breached its resource limit by spending £70.820 million over the amount that it was authorised to spend in the three-year period 2022-23 to 2024-25. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page 135

### Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of

Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

### Conclusions relating to going concern

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least 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 and 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 Ministers' 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 Health Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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

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

- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

### **Responsibilities of Directors and the Chief Executive for the financial statements**

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities set out on pages 69 and 70 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 Health 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 Health 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 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: revenue recognition, expenditure recognition, posting of unusual journals and (add as appropriate to the audit);
- obtaining an understanding of 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 the Health Board; and
- obtaining an understanding of related party relationships.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Assurance Committee and legal advisors about actual and potential litigation and claims;

- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

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

## Other auditor's responsibilities

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

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

## Report

Please see my Report on page 135.



Adrian Crompton  
1 Capital Quarter  
Auditor General for Wales  
Tyndall Street  
27 June 2025  
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 and Vale University Health Board's financial statements. I am reporting on these financial statements for the year ended 31 March 2025 to draw attention to two 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 (LHBs) are required to meet two statutory financial duties – known as the first and second financial duties. For 2023-24 Cardiff and Vale University Health Board failed to meet both the first and the second financial duties.

### Failure of the first financial duty

Failure of the first financial duty The first financial duty gives additional flexibility to LHBs by allowing them to balance their income with their expenditure over a three-year rolling period. The three-year period being measured under this duty this year is 2022-2023 to 2024-25. As shown in Note 2.1 to the Financial Statements, Cardiff and Vale University Health Board did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding

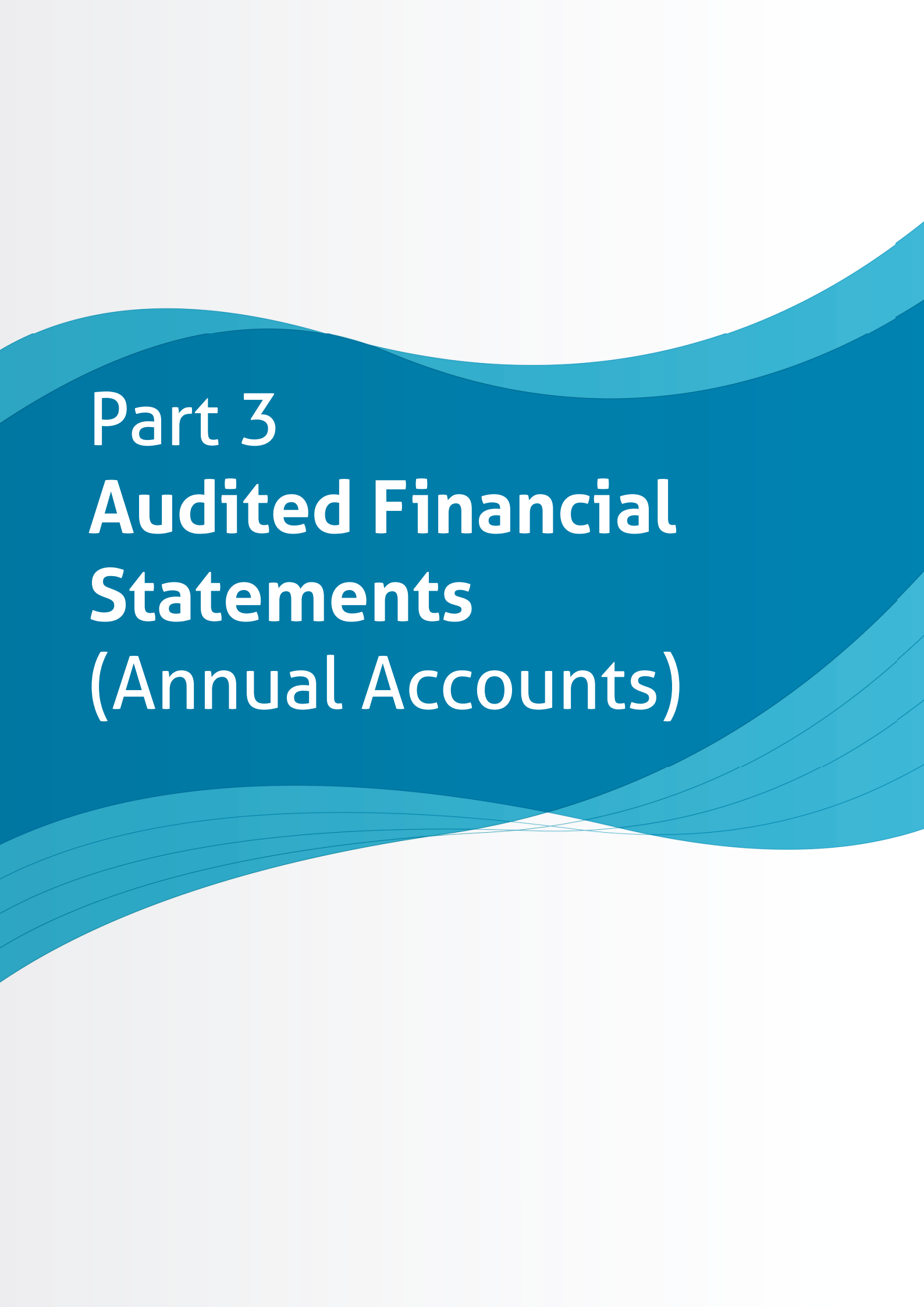
its cumulative revenue resource limit of £4,122 million by £70.820 million. Where an LHB does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. spending limit) for those three years exceeds the LHB's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spend.

### Failure of the second financial duty

The second financial duty requires LHBs to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. An LHB will be deemed to have met this duty for 2024-25 if it submitted a 2024-2025 to 2026-2027 plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan. As shown in Note 2.3 to the Financial Statements, Cardiff and Vale University Health Board did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2024-2025 to 2026-2027.



**Adrian Crompton**  
**Auditor General for Wales**  
**27 June 2025**

The background features a large, stylized graphic of overlapping, wavy blue shapes. The top part of the graphic is a light blue wave, followed by a darker blue wave, and then a medium blue wave at the bottom. The text is centered within the dark blue wave.

**Part 3**  
**Audited Financial**  
**Statements**  
**(Annual Accounts)**



## Foreword

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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 Health 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 2025

	Note	2024-25 £000	2023-24 £000
Expenditure on Primary Healthcare Services	3.1	295,545	273,767
Expenditure on healthcare from other providers	3.2	411,868	379,417
Expenditure on Hospital and Community Health Services	3.3	1,460,721	1,331,445
		<u>2,168,134</u>	<u>1,984,629</u>
Less: Miscellaneous Income	4	(632,900)	(597,517)
<b>LHB net operating costs before interest and other gains and losses</b>		<b>1,535,234</b>	<b>1,387,112</b>
Investment Revenue	5	0	0
Other (Gains) / Losses	6	99	11
Finance costs	7	1,431	1,433
<b>Net operating costs for the financial year</b>		<b><u>1,536,764</u></b>	<b><u>1,388,556</u></b>

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 169.

The notes on pages 144-219 form part of these accounts.

## Other Comprehensive Net Expenditure

	2024-25 £000	2023-24 £000
Net (gain) / loss on revaluation of property, plant and equipment	(6,579)	(9,616)
Net (gain)/loss on revaluation of right of use assets	0	0
Net (gain) / loss on revaluation of intangibles	0	0
(Gain) / loss on other reserves	0	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	0	0
Net (gain)/loss on revaluation of financial assets held for sale	0	0
Impairment and reversals	0	0
Transfers between reserves	0	0
Transfers to / (from) other bodies within the Resource Accounting Boundary	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0
Other comprehensive net expenditure for the year	<u>(6,579)</u>	<u>(9,616)</u>
<b>Total comprehensive net expenditure for the year</b>	<b><u>1,530,185</u></b>	<b><u>1,378,940</u></b>


The notes on pages 144-219 form part of these accounts.

## Statement of Financial Position as at 31 March 2025

		31 March 2025 £000	31 March 2024 £000
	Notes		
<b>Non-current assets</b>			
Property, plant and equipment	11	857,473	833,437
Right of Use Assets	11.3	22,169	23,212
Intangible assets	12	1,575	2,233
Trade and other receivables	15	135,977	182,443
Other financial assets	16	0	0
<b>Total non-current assets</b>		<b>1,017,194</b>	<b>1,041,325</b>
<b>Current assets</b>			
Inventories	14	20,394	19,227
Trade and other receivables	15	161,846	160,978
Other financial assets	16	0	0
Cash and cash equivalents	17	1,624	2,780
		<b>183,864</b>	<b>182,985</b>
Non-current assets classified as "Held for Sale"	11	77	0
<b>Total current assets</b>		<b>183,941</b>	<b>182,985</b>
<b>Total assets</b>		<b>1,201,135</b>	<b>1,224,310</b>
<b>Current liabilities</b>			
Trade and other payables	18	(238,791)	(229,602)
Other financial liabilities	19	0	0
Provisions	20	(93,820)	(100,151)
<b>Total current liabilities</b>		<b>(332,611)</b>	<b>(329,753)</b>
<b>Net current assets/ (liabilities)</b>		<b>(148,670)</b>	<b>(146,768)</b>
<b>Non-current liabilities</b>			
Trade and other payables	18	(21,889)	(24,059)
Other financial liabilities	19	0	0
Provisions	20	(128,264)	(167,928)
<b>Total non-current liabilities</b>		<b>(150,153)</b>	<b>(191,987)</b>
<b>Total assets employed</b>		<b>718,371</b>	<b>702,570</b>
<b>Financed by :</b>			
<b>Taxpayers' equity</b>			
General Fund		592,173	565,473
Revaluation reserve		126,198	137,097
<b>Total taxpayers' equity</b>		<b>718,371</b>	<b>702,570</b>

The financial statements on pages 2 to 7 were approved by the Board on 25 June 2025 and signed on its behalf by:

**Executive Medical Director on behalf of the Chief Executive and Accountable Officer**



**Dated:** 25 June 2025

The notes on pages 8 to 75 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
<b>Changes in taxpayers' equity for 2024-25</b>			
Balance as 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
<b>Balance at 1 April 2024</b>	<b>565,473</b>	<b>137,097</b>	<b>702,570</b>
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 assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other Reserve Movement	0	0	0
Transfers between reserves	17,478	(17,478)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
<b>Total recognised income and expense for 2024-25</b>	<b>(1,519,286)</b>	<b>(10,899)</b>	<b>(1,530,185)</b>
Net Welsh Government funding	1,483,577		1,483,577
Notional Welsh Government Funding	62,409		62,409
<b>Balance at 31 March 2025</b>	<b>592,173</b>	<b>126,198</b>	<b>718,371</b>

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government. The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

#### Notional Welsh Government funding split:

Notional 9.4% staff employer pension £62.350m

Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.059m

The notes on pages 144-219 form part of these accounts.

## Statement of Changes in Taxpayers' Equity For the year ended 31 March 2024

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
<b>Changes in taxpayers' equity for 2023-24</b>			
<b>Balance at 31 March 2023</b>	530,680	134,069	<b>664,749</b>
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
<b>Balance at 1 April 2023</b>	<b>530,680</b>	<b>134,069</b>	<b>664,749</b>
Net operating cost for the year	(1,388,556)		(1,388,556)
Net gain/(loss) on revaluation of property, plant and equipment	0	9,616	9,616
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	6,588	(6,588)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
<b>Total recognised income and expense for 2023-24</b>	<b>(1,381,968)</b>	<b>3,028</b>	<b>(1,378,940)</b>
Net Welsh Government funding	1,378,548		1,378,548
Notional Welsh Government Funding	38,213		38,213
<b>Balance at 31 March 2024</b>	<b>565,473</b>	<b>137,097</b>	<b>702,570</b>

Notional Welsh Government funding line includes the 6.3% staff employer pension (£38.213m).

The notes on pages 144-219 form part of these accounts.

## Statement of Cash Flows for year ended 31 March 2025

	2024-25 £000	2023-24 £000
<b>Cash Flows from operating activities</b>		
Net operating cost for the financial year	(1,536,764)	(1,388,556)
Movements in Working Capital	27 58,248	(40,322)
Other cash flow adjustments	28 86,074	109,013
Provisions utilised	20 (27,457)	(18,135)
<b>Net cash outflow from operating activities</b>	<b>(1,419,899)</b>	<b>(1,338,000)</b>
<b>Cash Flows from investing activities</b>		
Purchase of property, plant and equipment	(67,203)	(33,875)
Proceeds from disposal of property, plant and equipment	107	53
Purchase of intangible assets	(383)	(647)
Proceeds from disposal of intangible assets	0	0
Payment for other financial assets	0	0
Proceeds from disposal of other financial assets	0	0
Payment for other assets	0	0
Proceeds from disposal of other assets	0	0
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(67,479)</b>	<b>(34,469)</b>
<b>Net cash inflow/(outflow) before financing</b>	<b>(1,487,378)</b>	<b>(1,372,469)</b>
<b>Cash Flows from financing activities</b>		
Welsh Government funding (including capital)	1,483,577	1,378,548
Capital receipts surrendered	0	0
Capital grants received	0	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes	(614)	(513)
Capital element of payments in respect of on-SoFP PFI	0	0
Capital element of payments in respect of Right of Use Assets	(4,541)	(5,632)
Cash transferred (to)/ from other NHS bodies	7,800	0
<b>Net financing</b>	<b>1,486,222</b>	<b>1,372,403</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,156)</b>	<b>(66)</b>
<b>Cash and cash equivalents (and bank overdrafts) at 1 April 2024</b>	<b>2,780</b>	<b>2,846</b>
<b>Cash and cash equivalents (and bank overdrafts) at 31 March 2025</b>	<b>1,624</b>	<b>2,780</b>

The notes on pages 144-219 form part of these accounts.

## Notes to the Accounts

### 1. Accounting policies

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The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024-25 Manual for Accounts. The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

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

#### 1.1. Accounting convention

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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 by applying the accruals convention. Income is recognised in the period in which services are provided. Where income has 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**

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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**

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Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other

bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements, other than those due to ill health, the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation

commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

### 1.4.3. NEST Pension Scheme

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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

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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

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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

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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**

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Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated, for All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

## 1.7. Intangible assets

### 1.7.1. Recognition

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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.

### 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

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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

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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

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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

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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**

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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 0.95% 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 Cardiff and Vale University Health Board.

### **1.11.2. Cardiff and Vale University Health Board as lessor**

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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 Cardiff and Vale University Health Board 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 Cardiff and Vale University Health Board has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

### **1.12. Inventories**

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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

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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

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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

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The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2024-25. The WRPS is hosted by Velindre University NHS Trust.

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

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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

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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

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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

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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**

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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**

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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**

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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**

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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**

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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**

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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**

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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**

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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)**

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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**

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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**

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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

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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 budget

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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 one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

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 24-25 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**

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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**

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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**

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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;

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.

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

*\* 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.*

### 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 £10.156m re non-NHS organisations and a credit note provision of £2.431m 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 2025. Based on a sample the UHB has accrued £6.105m re untaken annual leave. This is based on a sample of the leave records of 57% of all UHB staff and represents an increase of £0.475m 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 2024/25.

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 31 different wards has now been counted. This represents 765 beds out of a possible 1,915 across the LHB. In this way a figure of £0.764m has been calculated for ward stock and has been included within the inventory balance shown in note 14.1 of the accounts.

As the number of wards counted increases a picture has emerged of a strata of wards which have a relatively low level of stockholding and one for those which have higher than average levels. This intelligence is now being built in to the calculation of the balance involved.

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 **£1.654m**
- > GMS Schemes & Frameworks **£1.780m**
- > Prescribing **£15.501m**
- > Pharmacy **£4.512m**
- > General Dental Service recoveries (**£0.224m**)

## 1.25. Discount Rates

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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

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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

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The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

## 1.26.2. PFI asset

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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

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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.**

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Components of the asset replaced by the 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.

## 1.27. Contingencies

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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

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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

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

### **IFRS14 Regulatory Deferral Accounts -**

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

**IFRS 17 Insurance Contracts**, Application required for accounting periods beginning on or after 1 January 2023, Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

### **IFRS 18 Presentation and Disclosure in Financial Statements -**

Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

### **IFRS 19 Subsidiaries without Public**

**Accountability: Disclosures -** Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

### **1.30. Accounting standards issued that have been adopted early**

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During 2024-25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

### **1.31. Charities**

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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

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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

	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000
<b>Net operating costs for the year</b>	1,309,705	1,388,556	1,536,764	<b>4,235,025</b>
Less general ophthalmic services expenditure and other non-cash limited expenditure	(13,361)	(13,794)	(13,833)	<b>(40,988)</b>
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(222)	(222)	(222)	<b>(666)</b>
Less any non-funded revenue consequences of IFRS 16	0	0	0	<b>0</b>
Total operating expenses	1,296,122	1,374,540	1,522,709	<b>4,193,371</b>
Revenue Resource Allocation	1,269,333	1,358,136	1,495,082	<b>4,122,551</b>
<b>Under /(over) spend against Allocation</b>	<b>(26,789)</b>	<b>(16,404)</b>	<b>(27,627)</b>	<b>(70,820)</b>

Cardiff and Vale University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

The Health Board received £20.6m cash-only support from Welsh Government during 2024-25, £9.1m strategic support and £11.5m working capital support. 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

	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000
<b>Gross capital expenditure</b>	56,111	46,218	68,197	<b>170,526</b>
Add: Losses on disposal of donated assets	8	4	0	<b>12</b>
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(140)	(114)	(206)	<b>(460)</b>
Adjustment for transfers (to)/from NHS Trusts	0	0	(7,799)	<b>(7,799)</b>
Less capital grants received	0	0	0	<b>0</b>
Less donations received	(414)	(577)	(572)	<b>(1,563)</b>
Less IFRS16 Peppercorn income	(143)	0	(712)	<b>(855)</b>
Less <b>initial recognition</b> of RoU Asset Dilapidations	(100)	0	0	<b>(100)</b>
Charge against Capital Resource Allocation	55,322	45,531	58,908	<b>159,761</b>
Capital Resource Allocation	55,410	45,603	59,156	<b>160,169</b>
<b>(Over) / Underspend against Capital Resource Allocation</b>	<b>88</b>	<b>72</b>	<b>248</b>	<b>408</b>

Cardiff and Vale University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

## 2.3 Duty to prepare a 3 year integrated plan

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The NHS Wales Planning Framework for the period 2024-2027, placed a requirement upon Local Health Boards in Wales (LHBs) to prepare and submit an Integrated Medium Term Plan 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 2024-2027.

In the absence of an approved Integrated Medium Term Plan, the LHB submitted a one year Operational Plan in respect of the 2024-25 financial year.

This plan initially projected a planned deficit of £15.9m. However, this was revised upwards to a deficit of £27.7m following a deterioration in the savings delivery and increasing operational deficits. This increased deficit was supported, in part, through additional funding of £6.8m from Welsh Government.

The Minister for Health and Social Services extant approval

Status Date	Not Approved n/a
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Cardiff and Vale University LHB has not therefore met its statutory duty to have an approved financial plan.

## 2.4 Creditor payment

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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:

	2024-25	2023-24
Total number of non-NHS bills paid	280,190	313,943
Total number of non-NHS bills paid within target	271,808	303,193
Percentage of non-NHS bills paid within target	97.0%	96.6%

**The LHB has met the target.**

### 3. Analysis of gross operating costs

#### 3.1 Expenditure on Primary Healthcare Services

	£000	£000	£000	£000
General Medical Services	95,736		95,736	87,004
Pharmaceutical Services	25,339	6,404	31,743	30,383
General Dental Services	38,436		38,436	35,777
General Ophthalmic Services	5,314	7,429	12,743	9,511
Other Primary Health Care expenditure	20,538		20,538	18,704
Prescribed drugs and appliances	96,349		96,349	92,388
<b>Total</b>	<b>281,712</b>	<b>13,833</b>	<b>295,545</b>	<b>273,767</b>

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	-7,933	-7,071
<b>Overall total</b>		<b>287,612</b>	<b>266,696</b>

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 £23.064m in respect of staff costs (£21.112m 2023-24)

#### 3.2 Expenditure on healthcare from other providers

	2024-25 £000	2023-24 £000
Goods and services from other NHS Wales Health Boards	25,792	25,926
Goods and services from other NHS Wales Trusts	45,360	35,702
Goods and services from Welsh Special Health Authorities	28	4,854
Goods and services from other non Welsh NHS bodies	971	2,207
Goods and services from NWJCC /WHSSC and EASC	187,170	177,216
Local Authorities	16,766	15,826
Voluntary organisations	8,918	8,200
NHS Funded Nursing Care	11,893	10,891
Continuing Care	97,006	84,325
Private providers	17,964	14,270
Specific projects funded by the Welsh Government	0	0
Other	0	0
<b>Total</b>	<b>411,868</b>	<b>379,417</b>

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

	2024-25	2023-24
	£000	£000
Directors' costs	2,703	2,454
Operational Staff costs	954,396	879,061
Single lead employer Staff Trainee Cost	67,259	53,411
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	299,778	270,215
Supplies and services - general	14,185	12,458
Consultancy Services	1,443	1,207
Establishment	14,800	13,079
Transport	3,155	1,011
Premises	53,154	47,236
External Contractors	0	0
Depreciation	42,206	41,361
Depreciation Right of Use assets (RoU)	5,041	6,238
Amortisation	865	829
Fixed asset impairments and reversals (Property, plant & equipment)	(3,754)	(745)
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	443	466
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	2,441	1,621
Research and Development	0	0
Expense related to short-term leases	1,062	203
Expense related to low-value asset leases (excluding short-term leases)	77	87
Other operating expenses	1,467	1,253
<b>Total</b>	<b>1,460,721</b>	<b>1,331,445</b>

### 3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2024-25	2023-24
	£000	£000
<b>Increase/(decrease) in provision for future payments:</b>		
Clinical negligence;		
Secondary care	(20,168)	38,688
Primary care	193	79
Redress Secondary Care	258	170
Redress Primary Care	0	0
Personal injury	397	633
All other losses and special payments	135	101
Defence legal fees and other administrative costs	1,213	2,042
Gross increase/(decrease) in provision for future payments	(17,972)	41,713
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	302	(444)
<b>Less: income received/due from Welsh Risk Pool</b>	<b>20,111</b>	<b>(39,648)</b>
<b>Total</b>	<b>2,441</b>	<b>1,621</b>
	2024-25	2023-24
	£	£
Permanent injury included within personal injury £:	10,022	(112,703)

## 4. Miscellaneous Income

	2024-25 £000	2023-24 £000
Local Health Boards	101,614	100,634
NWJCC/ WHSC and EASC	383,112	355,137
NHS Wales trusts	8,762	8,087
Welsh Special Health Authorities	1,218	29,388
Foundation Trusts	0	0
Other NHS England bodies	11,414	10,338
Other NHS Bodies	0	0
Local authorities	11,287	10,398
Welsh Government	1,882	1,736
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	135	160
Dental fee income	4,340	3,533
Private patient income	1,083	916
Overseas patients (non-reciprocal)	717	214
Injury Costs Recovery (ICR) Scheme	2,370	2,489
Other income from activities	1,920	1,963
Patient transport services	0	0
Education, training and research	64,478	32,714
Charitable and other contributions to expenditure	2,045	2,344
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	572	577
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	712	0
Non-patient care income generation schemes	3,954	3,395
NHS Wales Shared Services Partnership (NWSSP)	44	36
Deferred income released to revenue	110	39
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	12,359	10,850
Accommodation and catering charges	4,995	4,892
Mortuary fees	622	604
Staff payments for use of cars	0	0
Business Unit	0	0
Scheme Pays Reimbursement Notional	0	0
Other	13,155	17,073
<b>Total</b>	<b>632,900</b>	<b>597,517</b>

### Other income Includes;

Non Staff SLAs with Cardiff University	5,539	7,771
Creche Fees	638	615
Compensation Payments received	0	0
Equipment Evaluation Income	433	300
NHS Non Patient Care Income	883	1,276
Non Patient Related Staff Recharges	683	539
Other	4,979	6,572
<b>Total</b>	<b>13,155</b>	<b>17,073</b>

Based on revised Welsh Government guidance in 24/25 the organisational headings, LHB/NHST/SHA, are only used where there is no other relevant specific category of income available. In 24/25 HEIW income was disclosed within the Education, Training and Research line (£30.7m) whereas in 23/24 this was disclosed within Welsh Special Health Authorities (£28.1m).

### Injury Cost Recovery (ICR) Scheme income

	2024-25 %	2023-24 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	65.24	51.79

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

	2024-25 £000	2023-24 £000
<b>Rental revenue :</b>		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
<b>Interest revenue :</b>		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 6. Other gains and losses

	2024-25 £000	2023-24 £000
Gain/(loss) on disposal of property, plant and equipment	(99)	(19)
Gain/(loss) on disposal other than by sale of right of use assets	0	8
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
<b>Total</b>	<b>(99)</b>	<b>(11)</b>

## 7. Finance costs

	2024-25 £000	2023-24 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	358	309
Interest on obligations under PFI contracts;		
main finance cost	988	1,064
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	4	0
Other interest expense	0	(2)
<b>Total interest expense</b>	<b>1,350</b>	<b>1,371</b>
Provisions unwinding of discount	81	62
Other finance costs	0	0
<b>Total</b>	<b>1,431</b>	<b>1,433</b>

## 8. Future change to SoCNE/Operating Leases

### UHB as lessee

As at 31st March 2025 the Health Board had 150 leases agreements in place; 150 arrangements in respect of equipment and 0 in respect of vehicles.

The periods in which the remaining agreements will expire are shown below:

	2024-25	2024-25	2024-25	2023-24
	Low Value & Short Term	Other	Total	Total
	£000	£000	£000	£000
<b>Payments recognised as an expense</b>				
Minimum lease payments	1,139	0	1,139	290
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
<b>Total</b>	<b>1,139</b>	<b>0</b>	<b>1,139</b>	<b>290</b>
<b>Total future minimum lease payments</b>				
<b>Payable</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Not later than one year	96	0	96	104
Between one and five years	44	0	44	58
After 5 years	0	0	0	0
<b>Total</b>	<b>140</b>	<b>0</b>	<b>140</b>	<b>162</b>

As a result of the implementation of IFRS 16 the current year operating lease figures relate to low value and short term leases only.

	Land & Buildings	Vehicles	Equipment	Total
<b>Number of operating leases expiring</b>				
Not later than one year	0	0	62	62
Between one and five years	0	0	88	88
After 5 years	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>150</b>
<b>Charged to the income statement</b>	<b>0</b>	<b>0</b>	<b>1,139</b>	<b>1,139</b>

There are no future sublease payments expected to be received

### UHB as lessor

	2024-25	2023-24
	£000	£000
<b>Rental revenue</b>		
Rent	0	0
Contingent rents	0	0
<b>Total revenue rental</b>	<b>0</b>	<b>0</b>
<b>Total future minimum lease payments</b>		
<b>Receivable</b>	<b>£000</b>	<b>£000</b>
Not later than one year	0	0
Between one and five years	0	0
After 5 years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 9. Employee benefits and staff numbers

### 9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	738,673	1,351	5,955	52,915	0	7,375	806,269	754,095
Social security costs	77,817	0	0	6,381	0	0	84,198	76,961
Employer contributions to NHS Pension Scheme	149,394	0	0	8,339	0	0	157,733	125,434
Other pension costs	271	0	0	0	0	0	271	373
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	96	0	0	0	0	0	96	47
<b>Total</b>	<b>966,251</b>	<b>1,351</b>	<b>5,955</b>	<b>67,635</b>	<b>0</b>	<b>7,375</b>	<b>1,048,567</b>	<b>956,910</b>
Charged to capital							1,358	1,154
Charged to revenue							1,047,209	955,756
							<b>1,048,567</b>	<b>956,910</b>
Net movement in accrued employee benefits (untaken staff leave)							475	340

The following categories of Staff are included within the 'other heading'

- 1) IR35 applicable staff
- 2) Cardiff University staff

Employer contributions to the NHS Pension Scheme disclosed above includes £59.054m of NHS Pension contributions paid by Welsh Government for the twelve month period. These contributions were calculated based on actual Welsh Government expenditure, representing the 9.4% employer pension contributions. This amount has been recognised by the Health Board as notional expenditure payable to NHS Business Services Authority by Welsh Government, with a corresponding amount of notional funding provided to the Health Board. As a result, there is no net impact on the UHB's Revenue Resource Performance.

In addition, a further £3.296m of notional pension contribution relating to the SLE payroll has been included within the SLE payroll costs. The total funding recognised in respect of the 9.4% employer pension contributions amounts £62.350m. 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	2023-24
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,625	3	11	0	0	11	2,650	2,636
Medical and dental	1,099	8	0	674	0	19	1,800	1,717
Nursing, midwifery registered	4,761	2	65	0	0	1	4,829	4,629
Professional, Scientific, and technical staff	489	1	0	0	0	0	490	478
Additional Clinical Services	2,897	0	11	0	0	0	2,908	2,875
Allied Health Professions	1,307	0	7	0	0	2	1,316	1,350
Healthcare Scientists	576	0	0	0	0	0	576	565
Estates and Ancillary	1,237	0	5	0	0	0	1,242	1,229
Students	20	0	0	0	0	0	20	19
<b>Total</b>	<b>15,011</b>	<b>14</b>	<b>99</b>	<b>674</b>	<b>0</b>	<b>33</b>	<b>15,831</b>	<b>15,498</b>

### 9.3 Retirements due to ill health

	2024-25	2023-24
Number	20	28
Estimated additional pension costs £	2,284,685	2,126,286

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

	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	2	0	2	0	0
£25,000 to £50,000	0	0	0	0	1
£50,000 to £100,000	1	0	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>1</b>

	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	0
£10,000 to £25,000	44,674	0	44,674	0	0
£25,000 to £50,000	0	0	0	0	46,669
£50,000 to £100,000	51,288	0	51,288	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
<b>Total</b>	<b>95,962</b>	<b>0</b>	<b>95,962</b>	<b>0</b>	<b>46,669</b>

<b>Total Exit Costs Paid in Year</b>	<b>Total paid in year</b>	<b>Total paid in year</b>
	<b>2024-25</b>	<b>2023-24</b>
	£	£
Exit costs paid in year	95,962	46,669
<b>Total</b>	<b>95,962</b>	<b>46,669</b>

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

Where the UHB 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

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### 9.5.2 Analysis of other departures

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	2024-25 Agreements Number	2024-25 Total value of agreements £
<b>Type of other departures</b>		
Voluntary redundancies including early retirement contractual costs	0	0
Contractual payments in lieu of notice*	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring Welsh Government Approval**	0	0
Other please specify	0	0
Other please specify	0	0
Total	<b>0</b>	<b>0</b>

Cardiff and Vale University Health Board did not incur any costs relating to other compensation schemes during 2024-25.

## 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.

	2024-25 £000 Chief Executive	2024-25 £000 Employee	2024-25 £000 Ratio	2023-24 £000 Chief Executive	2023-24 £000 Employee	2023-24 £000 Ratio
<b>Total pay and benefits</b>						
25th percentile pay ratio	242	29	8.40	231	28	8.23
Median pay	242	38	6.38	231	36	6.34
75th percentile pay ratio	242	50	4.83	231	48	4.83
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	242	29		231	28	
Median pay	242	38		231	36	
75th percentile pay ratio	242	50		231	48	
<b>Total pay and benefits</b>						
25th percentile pay ratio	242	29	8.40	231	28	8.23
Median pay	242	38	6.38	231	36	6.34
75th percentile pay ratio	242	50	4.83	231	48	4.83
<b>Salary component of total pay and benefits</b>						
25th percentile pay ratio	242	29		231	28	
Median pay	242	38		231	36	
75th percentile pay ratio	242	50		231	48	

In 2024-25, 13 employees received remuneration in excess of the highest-paid director (10 employees in 2023-24).

Remuneration for all staff ranged from £23,970 to £388,519 (£22,720 to £320,130 in 2023-24 ).

The all staff range includes directors (including the highest paid director) 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 (AFC) staff (5.5%), Medical and Dental (M&D) staff (6%) and Executive Directors (5%).

## 9.6.2 Percentage Changes

	2023-24 to 2024-25	2022-23 to 2023-24
	%	%
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	5	3
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	5	3
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	6	5
Performance pay and bonuses	0	0

The salary in respect of employees as a whole has increased by 6% year on year, mainly as a result of all staff receiving a 5.5% (AFC) and 6% (M&D) pay award. 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 cost

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

### a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as

at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

### **c) National Employment Savings Trust (NEST)**

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

## 10. Public Sector Payment Policy - Measure of Compliance

### 10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	<b>2024-25</b>	<b>2024-25</b>	2023-24	2023-24
<b>NHS</b>	<b>Number</b>	<b>£000</b>	Number	£000
Total bills paid	7,382	409,279	7,305	362,462
Total bills paid within target	6,587	402,149	6,353	351,782
Percentage of bills paid within target	<b>89.2%</b>	<b>98.3%</b>	87.0%	97.1%
<b>Non-NHS</b>				
Total bills paid	280,190	888,621	313,943	1,033,511
Total bills paid within target	271,808	856,160	303,193	994,919
Percentage of bills paid within target	<b>97.0%</b>	<b>96.3%</b>	96.6%	96.3%
<b>Total</b>				
Total bills paid	<b>287,572</b>	<b>1,297,900</b>	321,248	1,395,973
Total bills paid within target	<b>278,395</b>	<b>1,258,309</b>	309,546	1,346,701
Percentage of bills paid within target	<b>96.8%</b>	<b>96.9%</b>	96.4%	96.5%

### 10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	<b>2024-25</b>	2023-24
	<b>£</b>	<b>£</b>
Amounts included within finance costs (note 7) from claims made under this legislation	<b>4</b>	0
Compensation paid to cover debt recovery costs under this legislation	<b>0</b>	0
<b>Total</b>	<b>4</b>	<b>0</b>

## 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
<b>Cost or valuation at 1 April 2024</b>	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)
<b>At 31 March 2025</b>	<b>82,609</b>	<b>733,778</b>	<b>5,354</b>	<b>29,481</b>	<b>165,063</b>	<b>1,573</b>	<b>28,245</b>	<b>116</b>	<b>1,046,219</b>
<b>Depreciation at 1 April 2024</b>	<b>0</b>	<b>39,856</b>	<b>903</b>	<b>0</b>	<b>105,115</b>	<b>537</b>	<b>15,999</b>	<b>116</b>	<b>162,526</b>
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
<b>At 31 March 2025</b>	<b>0</b>	<b>56,452</b>	<b>1,378</b>	<b>0</b>	<b>110,596</b>	<b>641</b>	<b>19,563</b>	<b>116</b>	<b>188,746</b>
<b>Net book value at 1 April 2024</b>	<b>88,287</b>	<b>664,852</b>	<b>4,356</b>	<b>15,982</b>	<b>50,871</b>	<b>905</b>	<b>8,184</b>	<b>0</b>	<b>833,437</b>
<b>Net book value at 31 March 2025</b>	<b>82,609</b>	<b>677,326</b>	<b>3,976</b>	<b>29,481</b>	<b>54,467</b>	<b>932</b>	<b>8,682</b>	<b>0</b>	<b>857,473</b>
<b>Net book value at 31 March 2025</b>	<b>comprises :</b>								
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
<b>At 31 March 2025</b>	<b>82,609</b>	<b>677,326</b>	<b>3,976</b>	<b>29,481</b>	<b>54,467</b>	<b>932</b>	<b>8,682</b>	<b>0</b>	<b>857,473</b>
<b>Asset financing :</b>									
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
<b>At 31 March 2025</b>	<b>82,609</b>	<b>677,326</b>	<b>3,976</b>	<b>29,481</b>	<b>54,467</b>	<b>932</b>	<b>8,682</b>	<b>0</b>	<b>857,473</b>

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
	<b>763,911</b>

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. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

Of the totals at 31st March 2025, £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.

## 11.1 Property, plant and equipment

2023-24	Buildings, excluding		Assets under construction & payments on account		Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land	dwelling	Dwellings	account					
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 31 March bf	90,861	633,431	4,963	52,465	155,839	1,454	24,530	116	963,659
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
<b>Cost or valuation at 1 April 2023</b>	<b>90,861</b>	<b>633,431</b>	<b>4,963</b>	<b>52,465</b>	<b>155,839</b>	<b>1,454</b>	<b>24,530</b>	<b>116</b>	<b>963,659</b>
Indexation	(2,504)	13,055	296	0	0	0	0	0	10,847
<b>Additions</b>									
- purchased	280	15,669	0	9,384	8,793	154	3,630	0	37,910
- donated	0	60	0	0	476	0	19	0	555
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	45,867	0	(45,867)	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	23,398	0	0	0	0	0	0	23,398
Impairments	(350)	(26,772)	0	0	0	0	0	0	(27,122)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(9,122)	(166)	(3,996)	0	(13,284)
<b>At 31 March 2024</b>	<b>88,287</b>	<b>704,708</b>	<b>5,259</b>	<b>15,982</b>	<b>155,986</b>	<b>1,442</b>	<b>24,183</b>	<b>116</b>	<b>995,963</b>
Depreciation at 31 March bf	0	20,221	427	0	99,942	549	16,360	116	137,615
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
<b>Depreciation at 1 April 2023</b>	<b>0</b>	<b>20,221</b>	<b>427</b>	<b>0</b>	<b>99,942</b>	<b>549</b>	<b>16,360</b>	<b>116</b>	<b>137,615</b>
Indexation	0	1,206	25	0	0	0	0	0	1,231
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	(2,942)	0	0	0	0	0	0	(2,942)
Impairments	0	(1,527)	0	0	0	0	0	0	(1,527)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(9,050)	(166)	(3,996)	0	(13,212)
Provided during the year	0	22,898	451	0	14,223	154	3,635	0	41,361
<b>At 31 March 2024</b>	<b>0</b>	<b>39,856</b>	<b>903</b>	<b>0</b>	<b>105,115</b>	<b>537</b>	<b>15,999</b>	<b>116</b>	<b>162,526</b>
<b>Net book value at 1 April 2023</b>	<b>90,861</b>	<b>613,210</b>	<b>4,536</b>	<b>52,465</b>	<b>55,897</b>	<b>905</b>	<b>8,170</b>	<b>0</b>	<b>826,044</b>
<b>Net book value at 31 March 2024</b>	<b>88,287</b>	<b>664,852</b>	<b>4,356</b>	<b>15,982</b>	<b>50,871</b>	<b>905</b>	<b>8,184</b>	<b>0</b>	<b>833,437</b>
<b>Net book value at 31 March 2024 comprises :</b>									
Purchased	88,287	645,998	4,356	15,957	49,628	905	8,127	0	813,258
Donated	0	18,854	0	25	1,111	0	57	0	20,047
Government Granted	0	0	0	0	132	0	0	0	132
<b>At 31 March 2024</b>	<b>88,287</b>	<b>664,852</b>	<b>4,356</b>	<b>15,982</b>	<b>50,871</b>	<b>905</b>	<b>8,184</b>	<b>0</b>	<b>833,437</b>
<b>Asset financing :</b>									
Owned	87,714	643,884	3,024	15,982	50,871	905	8,184	0	810,564
On-SoFP PFI contracts	573	20,968	1,332	0	0	0	0	0	22,873
PFI residual interests	0	0	0	0	0	0	0	0	0
<b>At 31 March 2024</b>	<b>88,287</b>	<b>664,852</b>	<b>4,356</b>	<b>15,982</b>	<b>50,871</b>	<b>905</b>	<b>8,184</b>	<b>0</b>	<b>833,437</b>

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	734,622
Long Leasehold	20,968
Short Leasehold	1,905
	<u>757,495</u>

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. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

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 Additions 2024/25

Of the donated additions shown in Note 11.1, the Noah's Ark Charity funded £0.219m of equipment for the Children's Hospital. The UHB's Charitable Fund contributed £0.125m towards the purchase of equipment and £0.218m to building works during the year. Other donors funded £0.011m 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 "Good Housekeeping Valuations" when assets resulting from major capital schemes are first brought into use. During the year the LHB carried out 6 such revaluations, the total effect of which were:

Impairments written off via the Statement of Comprehensive Net Expenditure (SoCNE) were (£3.495m) and 2 upward revaluations credited to the Revaluation reserve of £0.920m.

The significant schemes brought into use were: UHW Mortuary (£3.614m) was written off the carrying value via the SoCNE. In addition a further 3 minor schemes were completed and (£1.842m) was written off the carrying value via the SoCNE, whilst a reversal of impairment of £1.484m was credited to the SoCNE.

Value Added Tax (VAT) was recovered from HMRC in respect of 2 capital schemes revalued in prior accounting periods and a reversal of impairment of £0.477m was credited to the SoCNE.

iii) Asset Lives - Land is not depreciated. The useful economic life of UHB buildings has been determined on an asset by asset basis by the District Valuer. These lives are reviewed by the UHB

on an annual basis to ascertain their appropriateness and are reviewed every five years by the District Valuer. Major new construction projects are allocated useful economic lives by the District Valuer when they are first brought into use, smaller alterations to existing structures are initially allocated a useful life of 30 years and alterations to mechanical and engineering assets are allocated 15 year lives. Equipment assets are allocated lives on an individual basis based on the professional judgement and past experience of clinicians, finance staff and other UHB professionals. Again the appropriateness of these lives is reviewed on an annual basis.

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 2024/25. For a handful of sites this has resulted in a reversal of a prior period Impairment charge and therefore £7.249m 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) 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.

ix) Transfers of Land & Buildings within NHS Wales. On the 1st of April 2024 the UHB transferred Land & Buildings located at Whitchurch Hospital to Velindre University NHS Trust. As the trust is inside the whole of government boundary this transaction is shown within the Transfers from/into other NHS Bodies line in Note 11.1.

x) All fully depreciated assets still in use are being carried at nil net book value.

xi) There are no assets requiring Fair Value measurement under IFRS 13.

## 11. Property, plant and equipment

### 11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
<b>Balance brought forward 1 April 2024</b>	0	0	0	0	0	0
Plus assets classified as held for sale in the year	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
<b>Balance carried forward 31 March 2025</b>	<b>77</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>77</b>
<b>Balance brought forward 1 April 2023</b>	0	0	0	0	0	0
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
<b>Balance carried forward 31 March 2024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

As mentioned on page 43 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

## 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.

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
<b>Cost or valuation at 31 March 2024</b>	367	10,205	13,029	0	10,541	563	156	0	34,861
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
<b>Cost or valuation at 1 April 2024</b>	<b>367</b>	<b>10,205</b>	<b>13,029</b>	<b>0</b>	<b>10,541</b>	<b>563</b>	<b>156</b>	<b>0</b>	<b>34,861</b>
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
<b>At 31 March 2025</b>	<b>273</b>	<b>12,578</b>	<b>9,911</b>	<b>0</b>	<b>10,699</b>	<b>759</b>	<b>180</b>	<b>0</b>	<b>34,400</b>
<b>Depreciation at 31 March 2024</b>	40	1,636	5,693	0	3,917	231	132	0	11,649
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
<b>Depreciation at 1 April 2024</b>	<b>40</b>	<b>1,636</b>	<b>5,693</b>	<b>0</b>	<b>3,917</b>	<b>231</b>	<b>132</b>	<b>0</b>	<b>11,649</b>
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
<b>At 31 March 2025</b>	<b>7</b>	<b>2,787</b>	<b>4,012</b>	<b>0</b>	<b>4,971</b>	<b>384</b>	<b>70</b>	<b>0</b>	<b>12,231</b>
<b>Net book value at 1 April 2024</b>	<b>327</b>	<b>8,569</b>	<b>7,336</b>	<b>0</b>	<b>6,624</b>	<b>332</b>	<b>24</b>	<b>0</b>	<b>23,212</b>
<b>Net book value at 31 March 2025</b>	<b>266</b>	<b>9,791</b>	<b>5,899</b>	<b>0</b>	<b>5,728</b>	<b>375</b>	<b>110</b>	<b>0</b>	<b>22,169</b>
<b>RoU Asset Total Value Split by Lessor</b>									
	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 Peppercom 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 Peppercom 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 Peppercom 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
<b>Total</b>	<b>266</b>	<b>9,791</b>	<b>5,899</b>	<b>0</b>	<b>5,728</b>	<b>375</b>	<b>110</b>	<b>0</b>	<b>22,169</b>

## 11.3 Right of Use Assets continued

The organisation's right of use asset leases are disclosed across the relevant headings below. Most are individually insignificant, however, 5 are significant in their own right:

Whitchurch GP Surgery held under buildings with a NBV of £2,966k at 31 March 2024, SE Wales Renal Units held under buildings with a NBV of £1,704k at 31 March 2024, Canolfan Iechyd Genomig Cymru (Wales Genomic Health Centre) held under Land and Buildings with a NBV of £6,615k at 31 March 2024, a Surgical Robot held under Plant & Machinery with a NBV of £2,861k at 31 March 2024 and Ultrasound equipment held under Plant and Machinery with a NBV of £3,324k at 31 March 2024.

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.

2023-24	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Cost or valuation at 31 March 2023</b>	273	10,241	9,747	0	7,093	530	156	0	28,040
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
<b>Cost or valuation at 1 April 2023</b>	<b>273</b>	<b>10,241</b>	<b>9,747</b>	<b>0</b>	<b>7,093</b>	<b>530</b>	<b>156</b>	<b>0</b>	<b>28,040</b>
Additions	94	0	3,347	0	3,448	65	0	0	6,954
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	-36	-65	0	0	-32	0	0	-133
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
<b>At 31 March 2024</b>	<b>367</b>	<b>10,205</b>	<b>13,029</b>	<b>0</b>	<b>10,541</b>	<b>563</b>	<b>156</b>	<b>0</b>	<b>34,861</b>
<b>Depreciation at 31 March 2023</b>	2	793	1,460	0	3,083	98	66	0	5,502
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
<b>Depreciation at 1 April 2023</b>	<b>2</b>	<b>793</b>	<b>1,460</b>	<b>0</b>	<b>3,083</b>	<b>98</b>	<b>66</b>	<b>0</b>	<b>5,502</b>
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	-36	-35	0	0	-20	0	0	-91
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	38	879	4,268	0	834	153	66	0	6,238
<b>At 31 March 2024</b>	<b>40</b>	<b>1,636</b>	<b>5,693</b>	<b>0</b>	<b>3,917</b>	<b>231</b>	<b>132</b>	<b>0</b>	<b>11,649</b>
<b>Net book value at 1 April 2023</b>	<b>271</b>	<b>9,448</b>	<b>8,287</b>	<b>0</b>	<b>4,010</b>	<b>432</b>	<b>90</b>	<b>0</b>	<b>22,538</b>
<b>Net book value at 31 March 2024</b>	<b>327</b>	<b>8,569</b>	<b>7,336</b>	<b>0</b>	<b>6,624</b>	<b>332</b>	<b>24</b>	<b>0</b>	<b>23,212</b>
<b>RoU Asset Total Value Split by Lessor</b>									
<b>Lessor</b>	<b>Land £000</b>	<b>Land &amp; buildings £000</b>	<b>Buildings £000</b>	<b>Dwellings £000</b>	<b>Plant and machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>	<b>Total £000</b>
NHS Wales Peppercom Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercom Leases	140	0	22	0	0	0	0	0	162
Other Public Sector Market Value Leases	0	38	0	0	0	0	0	0	38
Private Sector Peppercom Leases	128	0	278	0	0	0	0	0	406
Private Sector Market Value Leases	59	8,531	7,036	0	6,624	332	24	0	22,606
<b>Total</b>	<b>327</b>	<b>8,569</b>	<b>7,336</b>	<b>0</b>	<b>6,624</b>	<b>332</b>	<b>24</b>	<b>0</b>	<b>23,212</b>

## 11.3 Right of Use Assets continued

### Quantitative disclosures

	2024-25	2024-25	2024-25	2024-25	2023-24
	Land	Buildings	Other	Total	Total
	£000	£000	£000	£000	£000
<b>Maturity analysis</b>					
<b>Contractual undiscounted cash flows relating to lease liabilities</b>					
Less than 1 year	0	2,104	1,421	3,525	4,248
2-5 years	0	4,760	4,213	8,973	8,819
> 5 years	0	7,214	1,031	8,245	10,007
Less finance charges allocated to future periods	0	-914	-541	-1,455	-1,608
<b>Total</b>	<b>0</b>	<b>13,164</b>	<b>6,124</b>	<b>19,288</b>	<b>21,466</b>
<b>Lease Liabilities (net of irrecoverable VAT)</b>				<b>2024-25</b>	<b>2023-24</b>
Current				3,194	3,931
Non-Current				16,094	17,535
<b>Total</b>				<b>19,288</b>	<b>21,466</b>
<b>Amounts Recognised in Statement of Comprehensive Net Expenditure</b>				<b>2024-25</b>	<b>2023-24</b>
Depreciation				5,041	6,238
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				358	309
Sub-leasing income				0	0
Expense related to short-term leases				1,062	203
Expense related to low-value asset leases (excluding short-term leases)				77	87
<b>Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT )</b>					
Interest expense				(358)	(309)
Repayments of principal on leases				(4,541)	(5,632)
<b>Total</b>				<b>(4,899)</b>	<b>(5,941)</b>

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

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)
<b>Gross cost at 31 March 2025</b>	<b>7,930</b>	<b>0</b>	<b>1,104</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>9,534</b>
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)
<b>Amortisation at 31 March 2025</b>	<b>7,084</b>	<b>0</b>	<b>375</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>7,959</b>
<b>Net book value at 1 April 2024</b>	<b>1,420</b>	<b>0</b>	<b>813</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,233</b>
<b>Net book value at 31 March 2025</b>	<b>846</b>	<b>0</b>	<b>729</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,575</b>
<b>NBV at 31 March 2025</b>							
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
<b>Total at 31 March 2025</b>	<b>846</b>	<b>0</b>	<b>729</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,575</b>

## 12. Intangible non-current assets Continued

2023-24

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April 2023</b>	<b>9,346</b>	<b>0</b>	<b>373</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>10,219</b>
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	192	0	585	0	0	0	777
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	22	0	0	0	22
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	(1,433)	0	0	0	0	0	(1,433)
<b>Gross cost at 31 March 2024</b>	<b>8,105</b>	<b>0</b>	<b>980</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>9,585</b>
Amortisation at 31 March bf	7,376	0	112	0	468	0	7,956
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
<b>Amortisation at 1 April 2023</b>	<b>7,376</b>	<b>0</b>	<b>112</b>	<b>0</b>	<b>468</b>	<b>0</b>	<b>7,956</b>
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	742	0	55	0	32	0	829
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	(1,433)	0	0	0	0	0	(1,433)
<b>Amortisation at 31 March 2024</b>	<b>6,685</b>	<b>0</b>	<b>167</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>7,352</b>
<b>Net book value at 1 April 2023</b>	<b>1,970</b>	<b>0</b>	<b>261</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>2,263</b>
<b>Net book value at 31 March 2024</b>	<b>1,420</b>	<b>0</b>	<b>813</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,233</b>
<b>NBV at 31 March 2024</b>							
Purchased	1,417	0	806	0	0	0	2,223
Donated	3	0	7	0	0	0	10
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
<b>Total at 31 March 2024</b>	<b>1,420</b>	<b>0</b>	<b>813</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,233</b>

## Additional Disclosures re Intangible Assets

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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

	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)
<b>Total of all impairments</b>	<b>(3,754)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,754)</b>

### 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
<b>Total</b>	<b>(3,754)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,754)</b>

	2023-24 Property, plant & equipment £000	2023-24 Right of Use Assets £000	2023-24 Intangible assets £000	2023-24 Held for sale assets £000	2023-24 Financial Assets £000	2023-24 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)	25,595	0	0	0	0	25,595
Reversal of Impairments	(26,340)	0	0	0	0	(26,340)
<b>Total of all impairments</b>	<b>(745)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(745)</b>

### Analysis of impairments charged to reserves in year :

Statement of Comprehensive Net Expenditure	(745)	0	0	0	0	(745)
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
<b>Total</b>	<b>(745)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(745)</b>

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 "Good Housekeeping Valuations" when assets resulting from major capital schemes are first brought into use. During the year the LHB carried out 6 such revaluations, the total effect of which were:

Impairments written off via the Statement of Comprehensive Net Expenditure (SoCNE) were (£3.495m) and 2 upward revaluations credited to the Revaluation reserve of £0.920m.

The significant schemes brought into use was:

UHW Mortuary (£3.614m) was written off the carrying value via the SoCNE. In addition a further 3 minor schemes were completed and (£1.842m) was written off the carrying value via the SoCNE, whilst a reversal of impairment of £1.484m was credited to the SoCNE.

Value Added Tax (VAT) was recovered from HMRC in respect of 2 capital schemes revalued in prior accounting periods and a reversal of impairment of £0.477m was credited to the SoCNE.

## 14.1 Inventories

	2025	2024
	£000	£000
Drugs	6,992	6,076
Consumables	13,236	13,068
Energy	166	83
Work in progress	0	0
Other	0	0
<b>Total</b>	<b>20,394</b>	<b>19,227</b>
Of which held at realisable value	0	0

## 14.2 Inventories recognised in expenses

	31 March	31 March
	2025	2024
	£000	£000
Inventories recognised as an expense in the period	3,133	3,017
Write-down of inventories (including losses)	(21)	(56)
Reversal of write-downs that reduced the expense	0	0
<b>Total</b>	<b>3,112</b>	<b>2,961</b>

## 15. Trade and other Receivables

<b>Current</b>	<b>31 March 2025 £000</b>	31 March 2024 £000
Welsh Government	3,533	2,394
NWJCC/ WHSSC and EASC	11,391	8,642
Welsh Health Boards	8,755	8,398
Welsh NHS Trusts	3,280	2,291
Welsh Special Health Authorities	687	1,097
Non - Welsh Trusts	2,600	3,577
Other NHS	149	342
2019-20 Scheme Pays - Welsh Government Reimbursement	103	97
<b>Welsh Risk Pool Claim reimbursement</b>		
NHS Wales Secondary Health Sector	105,229	110,959
NHS Wales Primary Sector FLS Reimbursement	376	170
NHS Wales Redress	443	332
Other	0	0
Local Authorities	3,114	2,263
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	21,127	20,427
Provision for irrecoverable debts	(7,294)	(7,034)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	8,353	7,023
Other accrued income	0	0
<b>Sub total</b>	<b>161,846</b>	<b>160,978</b>
<b>Non-current</b>		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	178	261
Other NHS	80	13
2019-20 Scheme Pays - Welsh Government Reimbursement	1,677	1,615
<b>Welsh Risk Pool Claim reimbursement;</b>		
NHS Wales Secondary Health Sector	128,002	175,511
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	306	213
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	9,419	9,419
Provision for irrecoverable debts	(5,293)	(5,293)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	1,608	704
Other accrued income	0	0
<b>Sub total</b>	<b>135,977</b>	<b>182,443</b>
<b>Total</b>	<b>297,823</b>	<b>343,421</b>

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £34.003m (£24.987 m in 2023-24).

## 15. Trade and other Receivables (continued)

### Receivables past their due date but not impaired

	31 March 2025 £000	31 March 2024 £000
By up to three months	29,988	20,867
By three to six months	1,120	1,150
By more than six months	2,895	2,970
	<b>34,003</b>	<b>24,987</b>

### Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	(12,327)	(12,811)
Transfer to other NHS Wales body	0	0
Amount written off during the year	21	39
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	(281)	445
Bad debts recovered during year	0	0
Balance at 31 March	<b>(12,587)</b>	<b>(12,327)</b>

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

### Receivables VAT

Trade receivables	453	306
Other	2,465	1,715
Total	<b>2,918</b>	<b>2,021</b>

## 16. Other Financial Assets

	Current		Non-current	
	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000
<b>Financial assets</b>				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Right of Use Asset Finance Sublease	0	0	0	0
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure</b>			<b>2024-25</b>	<b>2023-24</b>
RoU Sub-leasing income			0	0

## 17. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Balance at 1 April	2,780	2,846
Net change in cash and cash equivalent balances	(1,156)	(66)
Balance at 31 March	<b>1,624</b>	<b>2,780</b>
Made up of:		
Cash held at GBS	1,540	2,668
Commercial banks	0	0
Cash in hand	84	112
<b>Cash and cash equivalents as in Statement of Financial Position</b>	<b>1,624</b>	<b>2,780</b>
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
<b>Cash and cash equivalents as in Statement of Cash Flows</b>	<b>1,624</b>	<b>2,780</b>

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities (ROUA): (£2.178m)  
 Lease Liabilities (short-term and low value leases) £0.0m  
 PFI liabilities: (£0.614m)

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

## 18. Trade and other payables

### Current

	31 March 2025 £000	31 March 2024 £000
Welsh Government	58	0
NWJCC/WHSSC and EASC	2,538	5,148
Welsh Health Boards	2,524	2,282
Welsh NHS Trusts	7,251	6,046
Welsh Special Health Authorities	289	1,580
Other NHS	22,591	23,515
Taxation and social security payable / refunds	9,617	7,862
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	10	34
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	9,327	9,055
Non-NHS payables - Revenue	51,828	28,559
Local Authorities	21,368	18,233
Capital payables- Tangible	12,929	16,712
Capital payables- Intangible	0	176
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	3,194	3,931
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	729	614
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	65,736	65,620
Deferred Income:		
Deferred Income brought forward	2,279	1,993
Deferred Income Additions	429	325
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(110)	(39)
Other creditors	24,645	36,245
PFI assets –deferred credits	0	14
Payments on account	1,559	1,697
<b>Sub Total</b>	<b>238,791</b>	<b>229,602</b>

### Non-current

Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	16,094	17,535
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	5,795	6,524
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
<b>Sub Total</b>	<b>21,889</b>	<b>24,059</b>
<b>Total</b>	<b>260,680</b>	<b>253,661</b>

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 as 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	31 March
	2025	2024
	£000	£000
Between one and two years	3,063	3,472
Between two and five years	9,604	8,326
In five years or more	9,222	12,261
Sub-total	<u>21,889</u>	<u>24,059</u>

## 19. Other financial liabilities

Financial liabilities	Current		Non-current	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£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
<b>Total</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

## 20. Provisions

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Current</b>									
Clinical negligence:-									
Secondary care	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
RoU Asset Dilapidations CAME	359			(111)	0	(248)	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	6,217		(206)	131	4,300	(193)	(2,532)		7,717
<b>Total</b>	<b>100,151</b>	<b>(20,999)</b>	<b>(483)</b>	<b>33,937</b>	<b>32,880</b>	<b>(23,927)</b>	<b>(27,820)</b>	<b>81</b>	<b>93,820</b>
<b>Non Current</b>									
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
RoU Asset Dilapidations CAME	0			111	923	0	0	0	1,034
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,401		0	(131)	18	0	(9)		1,279
<b>Total</b>	<b>167,928</b>	<b>0</b>	<b>(2,951)</b>	<b>(33,937)</b>	<b>9,612</b>	<b>(3,530)</b>	<b>(8,858)</b>	<b>0</b>	<b>128,264</b>
<b>TOTAL</b>									
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
RoU Asset Dilapidations CAME	359			0	923	(248)	0	0	1,034
Other Capital Provisions	0			0	0	0	0	0	0
Other	7,616		(206)	0	4,316	(193)	(2,541)		8,996
<b>Total</b>	<b>268,079</b>	<b>(20,999)</b>	<b>(3,434)</b>	<b>0</b>	<b>42,492</b>	<b>(27,457)</b>	<b>(36,678)</b>	<b>81</b>	<b>222,084</b>

### Expected timing of cash flows:

	In year to 31 March 2026	Between 1 April 2026 and 31 March 2030	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	81,463	120,628	0	202,091
Primary care	175	0	0	175
Redress Secondary care	159	0	0	159
Redress Primary care	0	0	0	0
Personal injury	1,294	701	1,477	3,472
All other losses and special payments	1,125	0	0	1,125
Defence legal fees and other administration	1,668	974	0	2,642
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	116	443	50	609
2019-20 Scheme Pays - Reimbursement	103	237	1,441	1,781
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	941	93	1,034
Other Capital Provisions	0	0	0	0
Other	7,717	99	1,180	8,996
<b>Total</b>	<b>93,820</b>	<b>124,023</b>	<b>4,241</b>	<b>222,084</b>

## 20. Provisions (continued)

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	178,618	(30,670)	(3,953)	(67,241)	29,443	(13,610)	(3,221)	0	89,36
Primary care	60	0	0	0	79	0	0	0	13
Redress Secondary care	199	0	(79)	0	268	(191)	(98)	0	9
Redress Primary care	0	0	0	0	0	0	0	0	
Personal injury	659	0	(50)	321	918	(559)	(285)	49	1,05
All other losses and special payments	1,125	0	0	0	101	(101)	0	0	1,12
Defence legal fees and other administration	1,527	0	0	(164)	1,479	(1,011)	(261)		1,57
Pensions relating to former directors	0			0	0	0	0	0	
Pensions relating to other staff	134			40	70	(131)	0	13	12
2019-20 Scheme Pays - Reimbursement	30			0	74	(7)	0	0	9
Restructuring	0			0	0	0	0	0	
RoU Asset Dilapidations CAME	104			0	268	0	(13)	0	35
Other Capital Provisions	0			0	0	0	0	0	
Other	9,567		(56)	862	1,918	(148)	(5,926)		6,21
<b>Total</b>	<b>192,023</b>	<b>(30,670)</b>	<b>(4,138)</b>	<b>(66,182)</b>	<b>34,618</b>	<b>(15,758)</b>	<b>(9,804)</b>	<b>62</b>	<b>100,15</b>
<b>Non Current</b>									
Clinical negligence:-									
Secondary care	62,763	0	(10,395)	67,241	45,741	(2,100)	(2,605)	0	160,64
Primary care	0	0	0	0	0	0	0	0	
Redress Secondary care	0	0	0	0	0	0	0	0	
Redress Primary care	0	0	0	0	0	0	0	0	
Personal injury	2,644	0	0	(321)	0	0	0	0	2,32
All other losses and special payments	0	0	0	0	0	0	0	0	
Defence legal fees and other administration	665	0	0	164	833	(277)	(9)		1,37
Pensions relating to former directors	0			0	0	0	0	0	
Pensions relating to other staff	608			(40)	0	0	0	0	56
2019-20 Scheme Pays - Reimbursement	1,576			0	39	0	0	0	1,61
Restructuring	0			0	0	0	0	0	
RoU Asset Dilapidations CAME	0			0	0	0	0	0	
Other Capital Provisions	0			0	0	0	0	0	
Other	2,185		0	(862)	78	0	0		1,40
<b>Total</b>	<b>70,441</b>	<b>0</b>	<b>(10,395)</b>	<b>66,182</b>	<b>46,691</b>	<b>(2,377)</b>	<b>(2,614)</b>	<b>0</b>	<b>167,92</b>
<b>TOTAL</b>									
Clinical negligence:-									
Secondary care	241,381	(30,670)	(14,348)	0	75,184	(15,710)	(5,826)	0	250,01
Primary care	60	0	0	0	79	0	0	0	13
Redress Secondary care	199	0	(79)	0	268	(191)	(98)	0	9
Redress Primary care	0	0	0	0	0	0	0	0	
Personal injury	3,303	0	(50)	0	918	(559)	(285)	49	3,37
All other losses and special payments	1,125	0	0	0	101	(101)	0	0	1,12
Defence legal fees and other administration	2,192	0	0	0	2,312	(1,288)	(270)		2,94
Pensions relating to former directors	0			0	0	0	0	0	
Pensions relating to other staff	742			0	70	(131)	0	13	69
2019-20 Scheme Pays - Reimbursement	1,606			0	113	(7)	0	0	1,71
Restructuring	0			0	0	0	0	0	
RoU Asset Dilapidations CAME	104			0	268	0	(13)	0	35
Other Capital Provisions	0			0	0	0	0	0	
Other	11,752		(56)	0	1,996	(148)	(5,926)		7,61
<b>Total</b>	<b>262,464</b>	<b>(30,670)</b>	<b>(14,533)</b>	<b>0</b>	<b>81,309</b>	<b>(18,135)</b>	<b>(12,418)</b>	<b>62</b>	<b>268,07</b>

## 20. Provisions ... continued

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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 £234.050m has been shown within note 15 (Trade and Other receivables) in respect of such expected reimbursements.

### **Other Provisions include:**

Continuing Healthcare claims £0.213m

Potential payments to staff in respect of time off in lieu £0.323m

Employment Tribunal litigation cases £0.435m

Banding pay claims £0.181m

Other provisions considered commercially sensitive £7.844m

### **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 £0.213m provision made for probable continuing care costs relating to 14 claims received;

Note 21 sets out the £0.394m contingent liability for possible continuing care costs relating to 14 claims received.

The UHB is providing £0.027m in respect of 2 Phase 8 (22/23) claims and £0.186m in respect of 12 Phase 9 (23/24) claims.

Due to only one claim having been completed to date for Phase 10 (24/25), i.e. claims received between 1st April 2024 and 31st March 2025, the UHB does not currently have sufficient information available regarding the likelihood of claim success to calculate a provision for this Phase.

### **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

	2024-25 £'000	2023-24 £'000
Provisions have not been made in these accounts for the following amounts :		
Legal claims for alleged medical or employer negligence:-		
Secondary care	97,245	95,151
Primary care	380	468
Redress Secondary care	157	563
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	1,684	1,672
Continuing Health Care costs	394	231
Other	0	0
Total value of disputed claims	99,860	98,085
Amounts (recovered) in the event of claims being successful	(96,388)	(95,003)
<b>Net contingent liability</b>	<b>3,472</b>	<b>3,082</b>

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 £2.294m re clinical negligence and £0.784m 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 £0.213m provision made for probable continuing care costs relating to 14 claims received;

Note 21.1 sets out the £0.394m contingent liability for possible continuing care costs relating to 14 claims received.

The UHB is providing £0.027m in respect of 2 Phase 8 (22/23) claims and £0.186m in respect of 12 Phase 9 (23/24) claims.

For Phase 10 (24/25) claims received between 1st April 2024 and 31st March 2025, due to only 1 claim having been completed to date, the UHB does not currently have sufficient information available regarding the likelihood of claim success to calculate a provision for this Phase.

## 21.2 Remote Contingent liabilities

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	2024-25 £000	2023-24 £000
Guarantees	0	0
Indemnities	316	195
Letters of Comfort	0	0
<b>Total</b>	<b>316</b>	<b>195</b>

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

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	2024-25 £000	2023-24 £000
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 22. Capital commitments

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### Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2024-25 £000	2023-24 £000
Property, plant and equipment	19,917	19,295
Right of Use Assets	0	0
Intangible assets	0	5
<b>Total</b>	<b>19,917</b>	<b>19,300</b>

The in year increase in commitments disclosed is largely due to the progression of several major capital business cases.

## 23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

### Gross loss to the Exchequer

#### 23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2025	
	Number of cases	£
Clinical negligence:-		
Secondary Care	103	24,541,581
Primary Care	3	156,500
Redress Secondary Care	16	162,426
Redress Primary Care	0	0
Personal injury	39	382,971
All other losses and special payments	93	134,869
<b>Total</b>	<b>254</b>	<b>25,378,347</b>

#### 23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year cases in excess of £300,000		Cumulative amount
	L&R Case reference number	£	£
<b>Cases in excess of £300,000:</b>			
Clinical Negligence	MN/076/4662	350,000	500,000
Clinical Negligence	MN/076/0638	350,000	6,485,000
Clinical Negligence	MN/076/4475	395,000	470,000
Clinical Negligence	MN/076/1196	651,000	686,000
Clinical Negligence	MN/076/1530	705,000	705,000
Clinical Negligence	MN/076/3365	1,050,000	2,207,886
Clinical Negligence	MN/076/4370	1,385,000	1,470,000
Clinical Negligence	MN/076/2962	1,850,000	9,086,789
Clinical Negligence	MN/076/4528	2,195,000	2,215,000
Clinical Negligence	MN/076/3878	2,525,000	2,525,000
Clinical Negligence	MN/076/2146	7,091,347	9,785,000
	<b>No. of cases</b>	<b>£</b>	<b>£</b>
<b>Sub-total</b>	<b>11</b>	<b>18,547,347</b>	<b>36,135,675</b>
<b>All other cases paid in year</b>	<b>243</b>	<b>6,831,000</b>	<b>25,868,696</b>
<b>Total cases paid in year</b>	<b>254</b>	<b>25,378,347</b>	<b>62,004,371</b>

#### 23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	No. of cases	£
Cumulative amount up to £300k	31	1,799,508
Cumulative amount greater than £300k	6	8,515,778
<b>Total</b>	<b>37</b>	<b>10,315,286</b>

## 24. Right of Use / Finance leases obligations

### 24.1 Obligations (as lessee)

#### Amounts payable under right of use asset leases: 2024-25

	LAND 31 March 2025 £000	BUILDINGS 31 March 2025 £000	OTHER 31 March 2025 £000	TOTAL 31 March 2025 £000
<b>Minimum lease payments</b>				
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)
<b>Minimum lease payments</b>	<b>0</b>	<b>13,164</b>	<b>6,124</b>	<b>19,288</b>
Included in:				
Current borrowings	0	1,945	1,249	3,194
Non-current borrowings	0	11,219	4,875	16,094
	<b>0</b>	<b>13,164</b>	<b>6,124</b>	<b>19,288</b>
<b>Present value of minimum lease payments</b>				
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
<b>Present value of minimum lease payments</b>	<b>0</b>	<b>13,164</b>	<b>6,124</b>	<b>19,288</b>
Included in:				
Current borrowings	0	1,945	1,249	3,194
Non-current borrowings	0	11,219	4,875	16,094
	<b>0</b>	<b>13,164</b>	<b>6,124</b>	<b>19,288</b>

2023-24	LAND 31 March 2024 £000	BUILDINGS 31 March 2024 £000	OTHER 31 March 2024 £000	TOTAL 31 March 2024 £000
<b>Minimum lease payments</b>				
Within one year	0	2,842	1,406	4,248
Between one and five years	0	4,549	4,270	8,819
After five years	0	8,106	1,901	10,007
Less finance charges allocated to future periods	0	(915)	(693)	(1,608)
<b>Minimum lease payments</b>	<b>0</b>	<b>14,582</b>	<b>6,884</b>	<b>21,466</b>
Included in:				
Current borrowings	0	2,710	1,221	3,931
Non-current borrowings	0	11,872	5,663	17,535
	<b>0</b>	<b>14,582</b>	<b>6,884</b>	<b>21,466</b>
<b>Present value of minimum lease payments</b>				
Within one year	0	2,710	1,221	3,931
Between one and five years	0	4,181	3,820	8,001
After five years	0	7,691	1,843	9,534
<b>Present value of minimum lease payments</b>	<b>0</b>	<b>14,582</b>	<b>6,884</b>	<b>21,466</b>
Included in:				
Current borrowings	0	2,710	1,221	3,931
Non-current borrowings	0	11,872	5,663	17,535
	<b>0</b>	<b>14,582</b>	<b>6,884</b>	<b>21,466</b>

## 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 2025 £000	31 March 2024 £000
<b>Gross Investment in leases</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
<b>Present value of minimum lease payments</b>		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

## 25. Private Finance Initiative contracts

### 25.1 PFI schemes off-Statement of Financial Position

The 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 2025 £000	31 March 2024 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>
Total estimated capital value of off-SoFP PFI contracts	<u>0</u>	<u>0</u>

### 25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11	£000
	20,588
Contract start date:	31/03/2000
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 £4.732m.

#### Total obligations for on-Statement of Financial Position PFI contracts due:

2024-25	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact Finance Charge	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000	31 March 2025 £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	<u>6,524</u>	<u>0</u>	<u>3,319</u>	<u>19,534</u>

2023-24	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact Finance Charge	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000
Total payments due within one year	614	0	988	3,059
Total payments due between 1 and 5 years	3,796	0	2,862	11,985
Total payments due thereafter	2,728	0	457	6,136
Total future payments in relation to PFI contracts	<u>7,138</u>	<u>0</u>	<u>4,307</u>	<u>21,180</u>

	31/03/2025 £000
Total present value of obligations for on-SoFP PFI contracts	14,983

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

	2024-25 £000	2023-24 £000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	3,130	3,075
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	<u>3,130</u>	<u>3,075</u>

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	3,270	3,059
Later than one year, not later than five years	12,825	11,985
Later than five years	3,438	6,136
<b>Total</b>	<u>19,534</u>	<u>21,180</u>

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
<b>PFI Contract</b>		<b>On / Off- statement of financial position</b>
Number of PFI contracts which individually have a total commitment > £500m		0
<b>PFI Contract</b>	On	

## 25.5 The LHB has/has no 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 2024/25 as set out below:

### Llandough Hospital Staff Accommodation

On 28th October 1999, the former University Hospital and Llandough NHS Trust entered into an agreement with Charter Housing for the design, construction, fit out and the subsequent operation of its staff accommodation at Llandough Hospital. The contract period is 25 years; however during 2020-21 Charter Housing had all its assets, liabilities and contractual obligations transferred into a new company Pobl Homes and Communities Limited. A two year contract extension under the existing head lease terms has been agreed with Pobl for the provision of property services (August 2027).

## 25.5 The UHB had 1 Public Private Partnerships during the year (Continued)

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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 £1.306m and the land at £0.579m on the UHB'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 has been released to the SoCNE annually over the 25 year life of the contract. The amount that has been credited to operating expenses in 2024/25 was £0.010m.

## 26. Financial risk management

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Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The 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

	2024-25 £000	2023-24 £000
(Increase)/decrease in inventories	(1,167)	(1,066)
(Increase)/decrease in trade and other receivables - non-current	46,466	(111,255)
(Increase)/decrease in trade and other receivables - current	(868)	76,618
Increase/(decrease) in trade and other payables - non-current	(2,170)	(506)
Increase/(decrease) in trade and other payables - current	9,189	744
<b>Total</b>	<b>51,450</b>	<b>(35,465)</b>
Adjustment for accrual movements in fixed assets - creditors	4,587	(3,634)
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	2,178	(1,017)
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	33	(206)
	<b>58,248</b>	<b>(40,322)</b>

A text box has been added below the Movements in working capital note for organisations that have utilised the other category, to confirm contributing factors that make up the amount.

## 28. Other cash flow adjustments

	2024-25 £000	2023-24 £000
Depreciation	47,247	47,599
Amortisation	865	829
(Gains)/Loss on Disposal	99	11
Impairments and reversals	(3,754)	(745)
Release of PFI deferred credits	(10)	(18)
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	(572)	(577)
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	(712)	0
Non-cash movements in right of use assets	0	(49)
Non-cash movements in provisions	(18,538)	23,750
Other movements	61,449	38,213
<b>Total</b>	<b>86,074</b>	<b>109,013</b>

Other movements also include Welsh Government Notional funding for the following :

LHB notional 9.4% Staff Employer Pension Contributions and a planned care resource allocation performance adjustment.

## 29. Events after the Reporting Period

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The LHB has not experienced any events having a material effect on the accounts, between the date of the statement of financial position and the date on which these accounts were approved by its Board.

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 25th June 2025 and are expected to be certified by the Auditor General for Wales on 30th June 2025.

## 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	3,497	43,976	1,238	3,506
Betsi Cadwaladr LHB	421	1,292	130	63
Cardiff and Vale	0	0	0	0
Cwm Taf Morgannwg	17,234	42,915	323	2,409
Hywel Dda	679	8,366	57	757
Powys	44	2,416	20	421
Swansea Bay	7,598	8,296	756	1,599
NWJCC	187,238	383,346	2,538	11,391
Public Health Wales	8,427	7,957	1	1,224
Velindre	131,385	6,342	7,076	2,005
Welsh Ambulance Services	447	135	174	51
HEIW	250	30,734	220	586
Digital Health and Care Wales (DHCW)	7,430	1,173	69	101
Welsh Government	19	1,508,821	58	3,533
	<b>364,669</b>	<b>2,045,769</b>	<b>12,660</b>	<b>27,646</b>

Other than the individuals set out below, there were no other material related party transactions involving board members or key senior management staff.

The LHB is a member of the Welsh Risk Pool for Clinical Negligence, Personal Injury and other qualifying claims.

During 2024/25 the UHB has received settlements of **£32.811m** in respect of claims for reimbursements made. In addition as at 31st March the UHB had a debtor balance of **£234.050m** in respect of amounts due from the Welsh Risk Pool.

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.

During the period, other than the individuals set out below, 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 2024/25

## 30. Related Party Transactions... continued

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Suzanne Rankin is Chief Executive Officer of Cardiff and Vale University Health Board and Director of the Welsh Wound Innovation Centre and is a Lay Member (NHS) of Cardiff University Council. The Vice Chair, Emergency Ambulance Services Committee (EASC), which from 1st April 2024 formed part of NWJCC

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 was appointed on 1st October as an independent member (Cardiff University) and Pro Vice Chancellor (Cardiff University Executive Board).

Dr Rhian Thomas is an Independent Member ( Capital & Estates) and member of Glas Cymru Cyf ( Dwr Cymru)/Welsh Water ( Voluntary).

## 30. Related Party Transactions... continued

	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£'000	£'000	£'000	£'000
Cardiff University	5,676	8,319	3,606	4,310
Healthcare Financial Management Association (HFMA)	28	0	6	0
Endowments	0	1,051	2	885
Vale of Glamorgan Council	8,848	2,083	5,495	552
Welsh Wound Innovation Centre	52	0	0	0
Dwr Cymru / Welsh Water	1,960	0	332	0
<b>Total £'000s</b>	<b>16,564</b>	<b>11,453</b>	<b>9,441</b>	<b>5,747</b>

## 31. Third Party assets

The LHB held £176,939 cash at bank and in hand at 31 March 2025 (31st March 2024, £169,059) which relates to monies held by the LHB on behalf of patients. None of this cash was held in Patient Investment Accounts in either 2023-2024 or 2022-2023.

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 2025 amounted to £7,088,481 (£8,059,401 as at 31st March 2024).

## 32. Pooled budgets

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### **JES:**

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 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 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 2024-25 of £2,424,526 of which Cardiff & Vale UHB's contribution was £1,336,820. Overall the Pooled Budget was overspent in the year, and the Health element of the overspend was £958,480 and Cardiff & Vale has accounted for this in its annual accounts for the year ended 31/03/25. Bed accessories for the UHB are managed separately.

### **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 integration of health and social care services. In 2024-25 the UHB received a RIF and '50 Day Challenge' allocation of £21,895,000 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
- 50 Day Challenge

Which 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 1<sup>st</sup> 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 2024/25 were £26,432,651.

## 33. Operating segments

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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 2024/25 these accounts contain income of £5,516,776 and expenditure of £4,635,277 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 2024 to 31st March 2025. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2024 and February 2025 alongside Health Board data for March 2025.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2024-25 £000	2023-24 £000
<b>Statement of Comprehensive Net Expenditure for the year ended 31 March 2025</b>		
Expenditure on Primary Healthcare Services	937	554
Expenditure on healthcare from other providers	0	0
Expenditure on Hospital and Community Health Services	61,413	37,659
<b>Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025</b>		
Net operating cost for the year	62,350	38,213
Notional Welsh Government Funding	62,350	38,213
<b>Statement of Cash Flows for year ended 31 March 2025</b>		
Net operating cost for the financial year	62,350	38,213
Other cash flow adjustments	-62,350	-38,213
<b>2.1 Revenue Resource Performance</b>		
Revenue Resource Allocation	62,350	38,213
<b>3. Analysis of gross operating costs</b>		
<b>3.1 Expenditure on Primary Healthcare Services</b>		
General Medical Services	0	0
Pharmaceutical Services	0	0
General Dental Services	0	0
Other Primary Health Care expenditure	0	0
<b>3.2 Expenditure on healthcare from other providers</b>	0	0
	0	0
<b>3.3 Expenditure on Hospital and Community Health Services</b>		
Directors' costs	141	72
Staff costs	62,209	38,141
<b>9.1 Employee costs</b>		
<b>Permanent Staff</b>		
Employer contributions to NHS Pension Scheme	62,350	38,213
Charged to capital	0	0
Charged to revenue	62,350	38,213
<b>18. Trade and other payables</b>		
<b>Current</b>		
Pensions: staff	0	0
<b>28. Other cash flow adjustments</b>		
Other movements	62,350	38,213

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

## 34.2 Cardiff Medicentre

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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 £0.414m.

## 34.2 IFRS 17 - Insurance Contract Disclosures

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The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

### STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	<u>0</u>
	0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	<u>0</u>
	0

### STATEMENT OF COMPREHENSIVE NET EXPENDITURE

#### / STATEMENT OF COMPREHENSIVE INCOME \*Delete as appropriate

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

**THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY**

**LOCAL HEALTH BOARDS**

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)<sup>1</sup>, in the form specified in paragraphs [2] to [7] below.

**BASIS OF PREPARATION**

2. The account of the LHB shall comply with:
  - (a) the accounting guidance of the Government Financial Reporting Manual (FRoM), 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 FRoM 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.