

Powys Teaching Health Board

Annual Report 2025/26

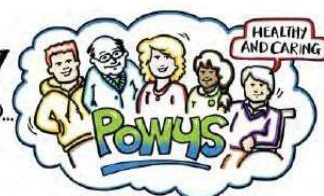
THE HEALTH AND CARE STRATEGY FOR POWYS 'AT A GLANCE'



WE ARE DEVELOPING
A VISION OF THE
FUTURE OF HEALTH
AND CARE IN POWYS...



To
2027
AND
BEYOND...



WE AIM TO DELIVER
THIS VISION THROUGH-OUT
THE LIVES OF THE PEOPLE
OF POWYS...



WE WILL SUPPORT
PEOPLE TO IMPROVE
THEIR HEALTH AND
WELLBEING THROUGH...



OUR PRIORITIES AND
ACTION WILL BE
DRIVEN BY CLEAR
PRINCIPLES...



THE FUTURE OF
HEALTH AND CARE
WILL IMPROVE
THROUGH...



WORKFORCE FUTURES

INNOVATIVE ENVIRONMENTS

DIGITAL FIRST

TRANSFORMING IN PARTNERSHIP

Foreword – Statement of Chief Executive and Chair

We are pleased to present the Powys Teaching Health Board Annual Report and Accounts for 2025/26. This report provides a comprehensive account of our performance, our use of public resources and our progress in delivering safe, effective and sustainable health and care services for the people of Powys.

The Annual Report forms part of our statutory responsibilities and reflects our commitment to openness, transparency and accountability to the communities we serve, our staff and our partners across Wales and England. It brings together our Performance Report, Accountability Report and Financial Statements into a single, integrated document in line with national guidance.

A Challenging and Changing Context

The past year has been one of significant challenge for health and care systems across the UK. In Powys, these challenges are shaped by a distinctive rural context, an ageing population and growing demand for services. Increasing complexity of need across physical and mental health, together with system-wide capacity constraints, continue to make increasing demands of services.

At the same time, financial constraints remain a critical issue, requiring a continued focus on efficiency, productivity and long-term sustainability. The Health Board has operated in a deficit position during 2025/26, and the need to balance financial recovery with high-quality service delivery has remained a central priority.

Despite these pressures, we are proud of the commitment and professionalism shown by our staff and partners throughout the year. Their dedication has enabled the organisation to continue delivering essential services while also making meaningful progress in key priority areas.

Performance and Delivery

This Annual Report demonstrates that, overall, the Health Board has made tangible progress during 2025/26. Performance has remained strong in several areas, particularly in prevention, primary and community care, and services delivered closer to home.

We have seen notable successes in public health interventions, including smoking cessation and screening programmes, alongside consistently high performance in mental health access standards. Our primary care services have maintained excellent access performance, and our community-based model of care continues to support people to receive treatment in local settings wherever possible.

Encouraging improvements have also been made in reducing long waits for planned care, reflecting focused work with partner organisations across both Wales and England. In locally delivered urgent care services, our Minor Injury Units have continued to perform strongly, maintaining timely access for patients.

However, we recognise that performance remains variable in some areas. Pressures in ambulance response times, specialist services and elements of commissioned care continue to impact our ability to consistently meet national targets. Workforce challenges, including recruitment remain areas of focus.

Transforming Services for the Future

A key theme of this year has been the continued development of our long-term transformation plans for our services through the *Better Together* programme. This programme is fundamental to our ambition to create sustainable, high-quality services that meet the needs of our population now and in the future.

Work during 2025/26 has focused on developing options for new models of care, particularly in community services, mental health and planned care. This work is underpinned by a value-based healthcare approach and informed by extensive engagement with our communities and partners.

We are clear that transformation is essential. The current model of healthcare is not sustainable in the long term, given increasing demand and financial pressures. Through *Better Together*, we are taking forward a programme of change that will enable us to deliver more integrated, preventative and locally focused care. Our work will be subject to public consultation in 2026/27.

Strengthening Governance and Accountability

Strong governance and accountability arrangements underpin all of our work. During 2025/26 we have continued to develop our governance framework, including enhancements to risk management and assurance processes.

This report also highlights the work undertaken to meet our statutory accountability requirements, including the preparation of the Accountability Report and Annual Financial Statements. These provide assurance that public funds have been used appropriately and in line with national expectations.

We remain committed to continuous improvement in governance, transparency and public accountability, recognising their importance in maintaining confidence in the services we provide.

Working with Our Communities and Partners

Collaboration is central to our approach. As a Health Board that both provides and commissions services, we rely on strong partnerships with other NHS organisations, local authorities, the third sector, community groups and the population of Powys.

During the year we have continued to engage widely with residents, patients and stakeholders, particularly through the *Better Together* programme and other service developments. These conversations are vital in shaping the future of services and ensuring that they reflect the needs and priorities of our communities.

Looking Ahead

While we have made important progress, we know that there is more to do. The challenges facing the health and care system are significant and will require sustained effort, innovation and collaboration.

Our Annual Delivery Plan for 2026/27 builds on the progress made this year, maintaining a focus on risk, recovery and sustainability. It sets out clear actions to improve performance, strengthen financial position and continue our programme of transformation.

We will continue to prioritise quality, safety and patient experience, ensuring that all services are delivered in line with the principles of safe, timely, effective, efficient, equitable and person-centred care.

Our Thanks

We take this opportunity to thank our staff, partners, league of friends, and volunteers for their continued commitment and dedication and to

Welsh Government for the funding and support we receive. We also extend our thanks to the people of Powys for their engagement, feedback and support throughout the year.

Conclusion

This Annual Report reflects a year of progress, resilience and continued focus on improving health and care for the people of Powys. Despite a challenging environment, the organisation has maintained momentum in delivering its priorities while laying the foundations for long-term sustainability.

We remain committed to working with our communities and partners to deliver high-quality, accessible and sustainable services, both now and for future generations.



Dr Carl Cooper
Chair
Powys Teaching Health
Board



Hayley Thomas
Chief Executive
Powys Teaching Health
Board

CONTENTS

SECTION ONE: THE PERFORMANCE REPORT.....	7
SECTION TWO: THE ACCOUNTABILITY REPORT.....	60
PART A: CORPORATE GOVERNANCE REPORT	64
1. THE DIRECTOR’S REPORT 2025/2026	65
2. STATEMENT OF ACCOUNTABLE OFFICER RESPONSIBILITIES: 2025/2026	72
3. STATEMENT OF EXECUTIVE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2025/2026.....	74
4. ANNUAL GOVERNANCE STATEMENT 2025/26	76
PART B: REMUNERATION AND STAFF REPORT 2025/26	184
PART C: SENEDD CYMRU/WELSH PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT	209

SECTION ONE: THE PERFORMANCE REPORT

PERFORMANCE OVERVIEW

The performance report comprises information relating to the organisation and its purpose, the key risks to achievements of its objectives, a description of the formulation of the plan for 2025-26 as well as how the organisation has performed during the year.

Chief Executive Performance Perspective

During 2025/26, Powys Teaching Health Board has continued to deliver services to a widely dispersed rural population, operating across a complex system of directly provided community services and commissioned acute care from neighbouring providers. This unique model brings both opportunities and challenges, requiring strong partnerships and a sustained focus on quality, access and value in care delivery.

This year has been characterised by significant demand pressures, rising complexity of need, and increasing financial constraints. These pressures reflect both national trends and the specific demographic profile of Powys, where an ageing population and growing levels of long-term conditions are driving demand across health and care services. At the same time, many residents experience inequalities linked to geography and deprivation, which continue to shape the Health Board's priorities and approach.

Against this backdrop, the Health Board has remained focused on delivering safe, effective and person-centred care, underpinned by strong governance and quality frameworks. The Annual Plan for 2025/26, structured around the themes of risk, recovery and sustainability, has provided a clear and disciplined framework for responding to immediate operational pressures while progressing longer-term transformation.

Performance Overview

The performance position for 2025/26 demonstrates a mixed but broadly improving picture. The organisation has achieved strong results in a number of key areas, particularly in prevention, community-based services and access to care closer to home.

Notable achievements include continued improvement in population health initiatives, with smoking cessation outcomes exceeding targets and strong performance in newborn screening programmes. Mental health services have also delivered consistently against national standards for timely assessment and intervention, reflecting the Health Board's focus on early support and access.

Primary and community care services have remained a strength, with full compliance against national access standards for GP practices and improvements in managing long-term conditions such as diabetes. The expansion of services delivered closer to home, including enhanced pharmacy prescribing and community pathways, continues to support residents to receive care in local settings wherever possible.

Within locally delivered urgent care services, performance has been strong, with Minor Injury Units consistently meeting key access and waiting time standards and reporting no extended waits in emergency care settings during the year.

Encouraging progress has also been made in planned care, particularly in reducing long waits. There has been a substantial reduction in the number of patients waiting more than 52 weeks for an outpatient appointment and those waiting over 104 weeks for treatment, reflecting targeted action with both Welsh and English providers.

However, as with all health systems, challenges remain. Performance is impacted by capacity constraints across the wider NHS system, particularly in areas reliant on commissioned services. Ambulance response times, neurodevelopmental services, ophthalmology pathways and some vaccination programmes remain below target, reflecting both workforce and system pressures

Workforce metrics present a similarly mixed picture. While progress has been made in reducing agency expenditure and strengthening recruitment, pressures remain in terms of sickness absence and appraisal compliance, underlining the importance of continued investment in workforce wellbeing, development and retention.

Delivery of the Annual Plan

The Health Board has delivered a high proportion of its planned activity during the year, with the majority of strategic objectives either completed or on track. This demonstrates both the scale of delivery achieved and the organisation's commitment to maintaining grip and control in a challenging operational environment.

Key areas of progress have included the development of a Population Health Strategic Framework, expansion of early intervention services, and the continued rollout of community-based models of care. Investment in digital systems, workforce development and infrastructure has also supported improvements in service quality and efficiency.

The organisation has maintained a strong focus on quality as the "golden thread" running through all activity, ensuring that care is safe, timely,

effective, efficient, equitable and person-centred. This has been supported by continued development of the integrated quality and performance framework and strengthened governance arrangements.

Transformation and Long-Term Sustainability

Central to the Health Board's approach is the "Better Together" transformation programme, which is shaping future models of care for the population of Powys. This programme is grounded in a value-based healthcare approach and aims to create sustainable, locally appropriate service models that respond to the needs of a rural population.

During 2025/26, significant progress has been made in developing and testing new models, particularly in community services, planned care and mental health. Engagement with communities, staff and partners has been a key component of this work, ensuring that future service changes are shaped by those who use and deliver care.

This work is essential in addressing the underlying drivers of demand and cost, including increasing complexity of need, waiting times, and the long-term sustainability of current service arrangements. It reflects a clear recognition that transformation is required to ensure services remain viable and effective over the medium to long term.

Financial Context and Governance

The Health Board has continued to operate in a challenging financial position during 2025/26, requiring a strong focus on financial discipline, efficiency and value. Despite these constraints, the organisation has demonstrated improved grip and control, enabling the delivery of an ambitious programme of savings and recovery actions.

Robust governance arrangements, including an enhanced risk management framework and strengthened oversight of strategic risks, have supported effective decision-making in a complex and changing environment. The organisation has maintained a clear focus on balancing financial recovery with quality and performance priorities.

Looking Ahead

Looking forward, the Health Board recognises that significant challenges remain. Demand will continue to grow, and system pressures—particularly across urgent and planned care pathways—are expected to persist. At the same time, financial constraints will require continued discipline and difficult choices.

The Annual Plan for 2026/27 builds on the foundations established during this year, maintaining a focus on risk, recovery and sustainability. It sets

out clear actions to improve financial performance, strengthen service delivery and continue transformation through the Better Together programme.

Performance Conclusion

In conclusion, 2025/26 has been a year of continued progress in a highly challenging context. The Health Board has delivered tangible improvements in key areas while maintaining a strong focus on quality, patient experience and access to care.

While significant challenges remain, the organisation is well positioned to build on this progress. With a clear strategic direction, strong governance, and a committed workforce, we will continue to work with partners and communities to deliver high-quality, sustainable health and care services for the people of Powys.

About the Organisation

The Health Board directly provides services across a wide range of sites in the county which includes nine community hospital sites.

Three are designated as Rural Regional Centres. Breconshire War Memorial Hospital and Llandrindod Wells County Memorial Hospital both provide a range of enhanced services such as day surgery. The North Powys Wellbeing Programme aims to expand future services in the Newtown Rural Regional Centre.

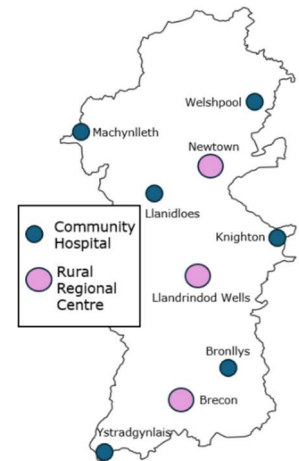
In addition to these hospital sites, PTHB services are provided in a range of community clinics and centres and facilities such as GP practices, pharmacies, dental surgeries and optometrists in towns across Powys.

The geographical spread and the rural nature of Powys means it has a unique pattern of directly provided and commissioned services, with District General Hospital and specialised services purchased for Powys residents from neighbouring providers in Wales and NHS Trusts in England.

This creates a complex network of services and pathways of care, for all ages and genders, across physical and mental health and all population groups and characteristics. Some elements are provided locally where it is safe and viable to do so, such as outpatient clinics, diagnostics and day surgery, Minor Injuries Units, community, maternity and mental health services.

Given the increasing demand, and complexity of healthcare, PTHB, like many other Health Boards, is facing increased financial pressure and a financial deficit. The 2025/26 Plan aimed to respond to the urgent need for a more sustainable model of delivery within the resources available.

The organisation continues to operate as a going concern.



About Powys

The PTHB Annual Plan was based on a comprehensive assessment of the Powys population, as set out in:-

- The Powys Population Needs Assessment www.powysrpb.org
- The Powys Wellbeing Needs Assessment <https://en.powys.gov.uk/article/5794/Full-Well-being-assessment-analysis>
- The Better Together 'Case for Change' <https://pthb.nhs.wales/about-us/better-together/better-together-documents/updated-case-for-change-october-2025/summary-case-for-change-october-2025/>

Key points are noted below:

Life expectancy for men and women is higher in Powys than for Wales, and people live longer in good health than the rest of Wales and the UK. Surveys often show high levels of people feeling happy and in good health. There is an increasingly thriving Welsh culture with 19% able to speak Welsh in Powys.

However, there are inequalities in groups and geographies. Twenty-eight percent of the population is over the age of 65. This increases needs for health and care, including cancer, respiratory and circulatory conditions, frailty and dementia. Twelve percent of the population are unpaid carers, and this will also increase over time. A high proportion of Powys residents live alone. However, there is a strong sense of community and a vibrant community and voluntary sector providing networks of support.

Powys has 9 areas in the top 30% most deprived in Wales, and this correlates with greater health needs, including for the most vulnerable. The average household income is lower in Powys compared to the rest of Wales and 4,088 families live in absolute poverty. A third of households are single occupants; predicted to rise by 4.2% over ten years.

People are waiting for treatment and staying in hospital longer than they should. Too many people are spending the last days of their lives in District General Hospitals rather than their own homes. The complexity of need is intensifying, across physical and mental health. Immediate pressures including delays in care, lead to high costs for poorer outcomes.

Demand for mental health services is projected to increase by up to 33% over the next 10 years.

There has been a 49% increase for Child and Adolescent Mental Health Services over 4 years.

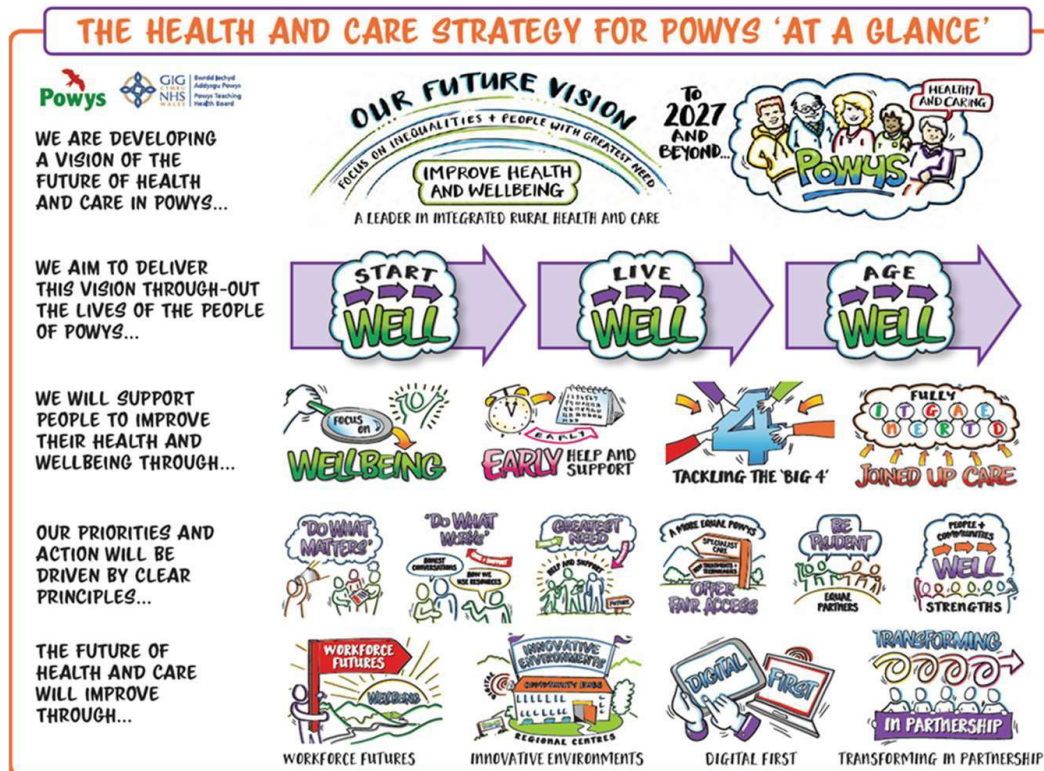
There has been a 39% increase in outpatient appointments between 2014 and 2024.

This means that looking longer term and taking an inter-generational and holistic view of healthcare is important, to build a sustainable approach for Powys. The Annual Plan therefore responded to these key factors and included the work being progressed within the 'Better Together' programme (further detail on this can be found below).

About the PTHB Annual Plan 2025-26

The full Annual Plan is available at:- [Powys Teaching Health Board Annual Plan 2025-2026 - Powys Teaching Health Board](#).

The PTHB Annual Plan is set in the context of the long term, shared Health and Care Strategy for Powys, "A Healthy Caring Powys", overseen by the Regional Partnership Board. This is the basis for the Powys Area Plan and the Pan Cluster planning in Powys.



The PTHB Annual Plan is also informed by the "Powys Wellbeing Plan" overseen by the Public Services Board. All parties including the Health Board worked together to agree long term objectives for wellbeing in the county as part of this plan. This incorporates local steps in response to the Wellbeing of Future Generations Act (Wales)

2015 (and within that, the Sustainable Development principle, National Wellbeing Goals and the Five Ways of Working).

There is also strong alignment with the refreshed national goal of 'A Healthier Wales' and the drivers set out in the "NHS in 10+ Years" report published by Welsh Government in 2023. The PTHB Annual Plan 2025 – 2026 responded to the requirements in the NHS Wales Planning Framework 2025 – 2028 and the areas of focus set out as Strategic Priorities by the Cabinet Secretary for Health and Social Care.

The Plan was themed around Risk, Recovery and Sustainability, and set out the intention to accelerate action on immediate challenges and a sustainable model of care. This was in recognition of a challenging financial position and the associated escalation of PTHB's intervention status to 'Level 4' for strategy, planning and finance by Welsh Government. The Health Board remained in routine monitoring for all other domains of leadership, governance, performance and quality.

It set out an approach that was firm in detail in 2025/26, ensuring the grip and control needed to respond to immediate pressures on healthcare and associated finances. There was some agility in the plan, to test and co-produce future solutions, learning and seizing opportunities as they arose.

This was grounded in a comprehensive assessment of the Powys population, as noted in earlier in this report, including insights from the Powys Population Needs Assessment, Wellbeing Assessment and work carried out within the 'Better Together' transformation programme including the development of a detailed Case for Change. It also responded to intelligence from continuous engagement with the stakeholders and communities in Powys, as noted in the Plan.

This plan set out the steps as part of the Better Together Portfolio, to engage with communities and stakeholders to shape and deliver the future vision of 'A Healthy Caring Powys'.

The Delivery Section of the Annual Plan is framed around four Wellbeing Objectives, these being:-

- Focus on Wellbeing
- Early Help and Support
- Tackling the Big Four
- Joined Up Care

There were also supporting plans for the four Enabling Objectives. These were:-

- Workforce Futures
- Digital First
- Innovative Environments
- Transforming in Partnership

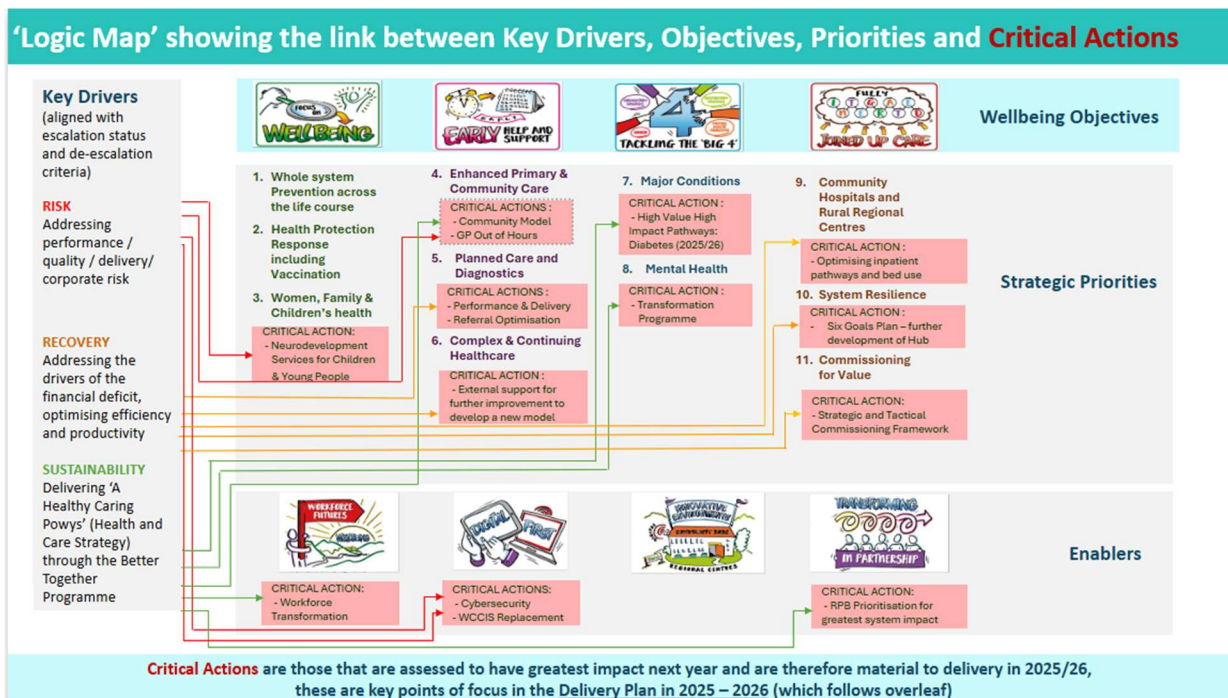
There are Strategic Priorities set out in the Plan against each of the above and the associated Delivery Plan included key areas of delivery, milestone deliverables and timescales for these.

Quality was the golden thread across the whole plan, underpinned by quality standards and principles and the delivery of safe, timely, effective, efficient, equitable and person-centred care.

The key components of the Annual Plan are shown in the Plan on a Page below.



For the first time in the Plan, a set of 'Critical Actions' were identified, as shown below. These reflected the opportunities in the medium to longer term, to mitigate growth and cost through transformation, applying high impact, evidence-based approaches to build sustainability. They also reflected short term action in year, to ensure efficiency and productivity and to maintain grip and control.



Better Together Programme

In 2025-26 planning continued to align strongly with the Better Together Programme. The aim of this transformation programme is to improve quality and outcomes for the population by ensuring future models of care and configuration of services deliver viable and economically sustainable services that meet the needs of rural Powys.

A 'Value Based Healthcare' approach underpins this work, to develop future patterns of service delivery and commissioning. Alongside longer-term planning, there is a focus on short- and medium-term opportunities for risk, recovery and sustainability.

During Spring 2025, views were sought on the 'Case for Change', and this has been updated based on the feedback – with technical chapters, covering adult community services, mental health and primary care. This set out the context for the Better Together programme, responding to multiple significant changes including the Covid-19 pandemic, more people living with complex and multiple health conditions, rising demand and backlogs in waiting lists, and other external factors leading to rising costs for both individuals and their households and for the public purse and organisations including the Health Board. As population and society changes, health services need to change too.

The Case for Change demonstrated the need for a clear plan to best meet the needs of the communities of Powys over the next 10 to 25 years, helping people to stay well, and preventing ill health, as well as ensuring

the best quality of care, experience and outcomes for those who do access healthcare.

Considerable progress has been made, and learning has informed the next phases, these include:-

- Internal and external expertise brought together to challenge traditional ways of working and develop innovative models of care
- Appraisal against the Population Health strategic framework to focus on preventing the preventable
- Significant technical work completed to appraise emerging options, including financial, workforce, quality, performance and delivery assessments
- Developing the community model to respond to population desire to receive care closer to home and to respond to the Grant Thornton report
- The Planned Care workstream is building on the outputs of a detailed Strategic Assessment completed in partnership with Getting It Right First Time including a business case for referral management

A summary of progress with the Better Together portfolio during 2025-26 can be seen below:-



Risk Management

The Health Board is committed to the principles of good governance and recognises the importance of effective risk management as a fundamental element of the Health Board's governance framework and system of internal controls.

In March 2025 the Board approved a revised Risk Management Framework which was implemented in 2025/26, key updates included:

- clarify escalation and de-escalation criteria and process.
- alignment with established risk management guidance and best practice and
- the closure of the Corporate Risk Register, and the introduction of the Strategic Risk Register, focused on strategic risk owned by the Board and an Organisational Risk Register, focused on significant and cross-organisation operational risk, owned by the Executive Committee.

The Health Board's strategic risk register is the mechanism for identifying and managing strategic risk including the key risks to the delivery of the PTHB Integrated Plan. This was newly developed in 2025/26 and has been robustly considered and reviewed in year to ensure its utility in a highly complex environment. It reflects the challenges faced by the Health Board and sets a level of risk appetite in each case, which has been carefully and collectively moderated to reflect the key considerations, notably:

- The delivery of quality, safe and effective care
- Ensuring that efforts were made to build the sustainability of delivery and mitigate fragility in service models both directly delivered and commissioned
- Ensuring the benefits realisation of transformation
- Building and maintaining public confidence in regard to service delivery and transformation in staff, patients, stakeholders and community
- Challenges to key enablers including workforce and information technology
- Threat-based risks including cyber security.
- Fiscal and budgetary constraints and the Health Board's financial position
- The need to shift to a primary prevention focused health care system

Further detail in regard to the strategic risks, including links to the current Strategic Risk Register which confirms controls and mitigation actions, and tracks scoring trends from the inception for each risk is available within the Annual Governance Statement.

Information on personal data related incidents formally reported to the Information Commissioner's office and "serious untoward incidents" involving data loss or confidentiality breaches are detailed within the Annual Governance Statement on page 147.

Communications and Engagement

During 2025/26 the Health Board's engagement and communication team has supported the wider Health Board activities in the context of the continuing significant financial challenges facing the public sector.

Engagement and consultation activity has included:

- Focused engagement in support of the Better Together programme including:
 - Stage 1 Engagement (Case for Change) and Stage 2 Engagement (Issues Paper) for Phase 1 of Better Together (Adult Physical and Mental Health Community Services)
 - Initial insights to support Phase 2 (Planned Care) and Phase 3 (Women and Children's)
- Ongoing engagement in relation to the temporary changes to health services (opening hours for Minor Injury Units and the model of inpatient care) implemented in December 2024.
- Support for the delivery of engagement and consultation in relation to commissioned services, including the consultation by Hywel Dda University Health Board (HDUHB) on their clinical services model during summer 2025 and engagement by Aneurin Bevan University Health Board (ABUHB)
- Continued partnership work with Public Services Board (PSB) and Regional Partnership Board (RPB) partners on our shared approach to coproduction in Powys. This has included further coproduction "journey tracker" to support organisations and programmes to embed coproduction in their practice
- Continued publication of the six-monthly Communities and Insight Report for the RPB and PSB, drawing together insights from community engagement to inform the work of local partner organisations individual and collectively. Towards the end of the year these reports have supported initial work on the development of the next Populations Needs Assessment and Well-being Assessment
- Continued close working with Llais to gather community insights to inform the plans and priorities of the Health Board, including to inform the development of the 2026/27 Integrated Annual Plan

Key areas of communication focus have been the continued work to support Powys residents to access the right care in the right place at the

right time. This has included a focus on Help Us Help You, promotion of NHS 111 Wales services, launch of NHS 111 Press 2 for access to mental health advice, and SilverCloud Wales which is hosted by PTHB on behalf of NHS Wales.

A major programme of communications activity was also undertaken linked to the decision by the Board into commissioning planned care in both England and Wales based on NHS Wales waiting times.

Internally, the Staff Excellence Awards 2025 were judged and announced, and development of internal news channels continues including regular monthly PTHB Staff Briefings and embedding of our monthly PTHB Team Focus.

Key priorities for 2026/27 include:

- Continued engagement and communication for our Better Together programme including the period of formal consultation on Phase 1 (adult physical and mental health community services) from September 2026
- Reviewing our communication and stakeholder approach to reflect the priorities and policies of the new Government
- Localising engagement and consultation on neighbouring, regional and national service changes including an expected second phase consultation on HDUHB stroke services, and the next steps on the Joint Commissioning Committee's approach to rural response on the context of changes to EMRTS

Performance Synopsis

Overall performance during 2025/26 demonstrated continued progress against a challenging operational and financial backdrop. Strong performance was maintained across a range of prevention, primary care, mental health and community service measures, whilst challenges remain in areas including ambulance response times, neurodevelopmental services and some commissioned pathways. Detailed analysis is provided in the Delivery and Performance Analysis section of this report.

Forward Look

The Annual Plan for 2026–27 continues to align strongly with the shared vision for 'A Healthy Caring Powys' set out in the long-term Health and Care Strategy for the County, and with the ambition set out by Welsh Government for 'A Healthier Wales'. It remains shaped around the four Wellbeing Objectives and Four Enabling Objectives and sets out Strategic Priorities and areas of delivery within these, as in previous years.

The Board has had clear oversight and direction of the development of the Annual Plan for 2026-27, responding to the NHS Planning Framework 2026-29 - "Transforming Services to Deliver Better Health and Care" which is available at [NHS Wales planning framework 2026 to 2029 | GOV.WALES](#).

The organisation's focus on quality, performance and good governance remains central, and the Plan outlines the balanced position the Health Board have taken across these domains as well as that of financial recovery. There are significant challenges which are still contributing to a deficit financial position, however, as laid out in the plan for the coming year, there is an understanding of the drivers behind them, and clear actions have been outlined to address them.

These actions are based in part on the recommendations of the escalation external report by Grant Thornton and Partners. The report confirmed that PTHB has firm grip and control, which enabled the organisation to deliver an ambitious plan with historic levels of savings in 2025-26; and will maintain the focus in 2026-27.

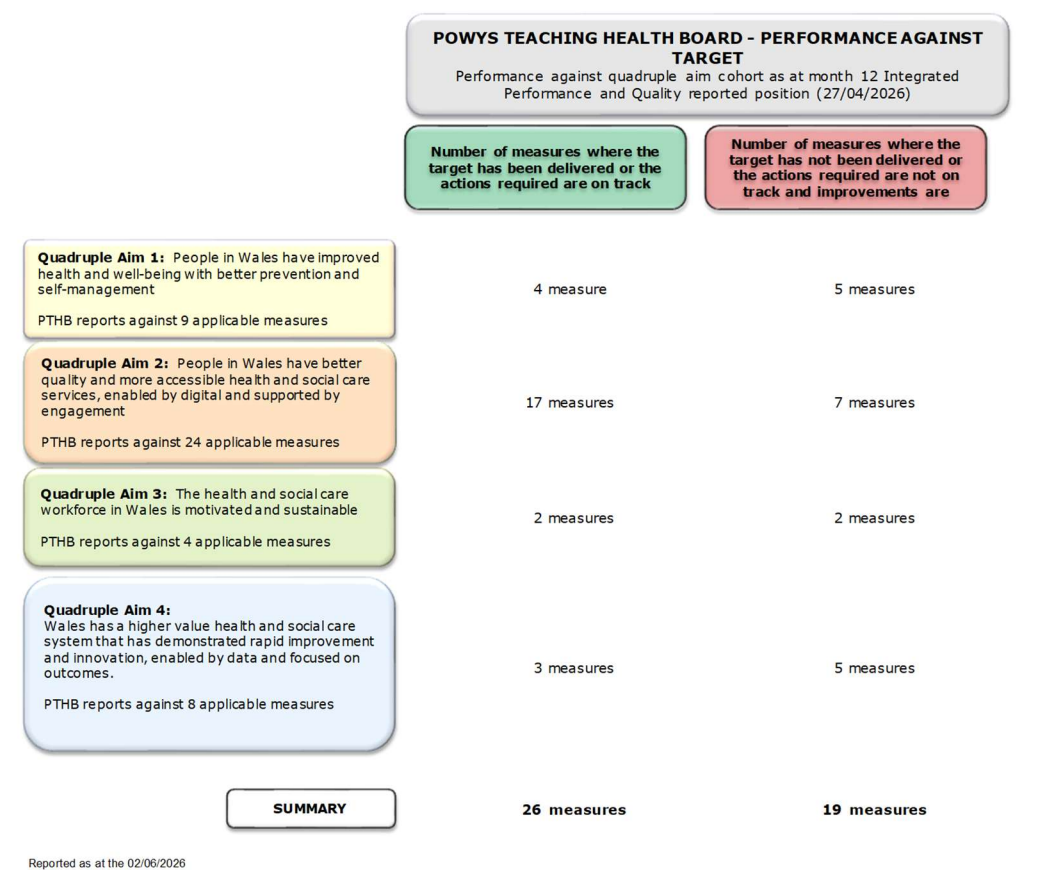
Due to the Board's continued financial deficit position and escalation status, the themes of Risk, Recovery and Sustainability remain in the Annual Plan 2026/27; with the Risk theme ensuring that the Board continues to deliver safe, timely, effective, efficient, equitable and person-centred care that meets the needs of the population of Powys. The drivers of the financial deficit are addressed through the Recovery theme, with key choices and options included in the Plan to improve the financial position. Continued work on 'Better Together' to shape services longer term delivers against the theme of Sustainability; as well the Health Board's 3-year Routemap to Sustainability which is included for the first time.

A link to the 2026-27 plan can be found here:-

<https://pthb.nhs.wales/about-us/key-documents/strategies-and-plans/powys-teaching-health-board-annual-plan-202627/> and a summary is provided below:

All of the performance measures in the NHS Performance Framework map to the quadruple aims of 'A Healthier Wales'.

Powys Teaching Health Board end of year summary scorecard



The next section of this document references the reportable measures by the key Quadruple Aim domains and sub themes; this is further described by those measures achieving the target at the end of year and those that remain non-compliant (exceptions or escalations). It should be noted that many annual and quarterly measures will not have data available up until March 2026 and when available these updates can be found within the Integrated Quality and Performance Reports via the PTHB Board papers <https://pthb.nhs.wales/about-us/health-board-performance/>.

Quadruple Aim 1: People in Wales have improved health and wellbeing with better prevention and self-management

Theme – Prevention

2025/26 Performance Framework Measures			Performance				SPC	Welsh Government Benchmarking (*in arrears)	
No.	Abbreviated Measure Name	Target	Latest Available	12month Previous	Previous Period	Current	Icon	Ranking	All Wales
1	% Attempted to quit smoking	5% annual target	Q3 2025/26	3.96%	4.48%	5.89%	N/A	3rd	4.35%
2	% of Adult smokers who made a quit attempt via smoking cessation services who are CO-validated as quit at 4 weeks	40% annual target	Q3 2025/26	14.7%	13.9%	13.4%	N/A	6th	23.4%
3	Percentage of people who have been referred to health board services who have completed treatment for substance misuse (drugs/alcohol)	4 quarter improvement trend	Q4 2025/26	78.5%	78.2%	88.5%	N/A	4th	88.0%
4	% of children up to date with scheduled vaccinations by age 5	95%	Q3 2025/26	91.6%	87.6%	91.1%	N/A	1st	87.5%
5	% of children receiving the HPV vaccination by the age of 15	90%	Q3 2025/26	76.5%	78.9%	79.5%	N/A	3rd	75.6%
6	Flu Vaccines - 65+	75%	Mar-26	69.2%	68.8%	69.0%	N/A	6th	71.8%
7	% uptake of COVID-19 vaccination for those eligible (Spring and Autumn booster)	75%	Feb-26	50.6%	59.2%	61.1%	N/A	1st	58.3%
8	% of patients offered an index colonoscopy within 4 weeks of booking specialist screening appointment	90%	Mar-26	0.0%	40.0%	20.7%		2nd*	24.1%
9	% of well babies completing the hearing screening programme within 4 weeks	90%	Feb-26	89.8%	90.3%	91.9%		7th	97.3%
10	% of eligible newborn babies who have a conclusive bloodspot screening result by day 17	95%	Mar-26	98.4%	96.8%	98.4%		2nd*	97.5%

✓ Achieved target

- Percentage of people attempting to quit smoking achieved compliance against the annual target of 5% by quarter 3 reported 5.89%. This is a significant accomplishment when compared to prior financial years, the All-Wales position for the same period is 4.35% and PTHB rank 3rd. As a comparison uptake in Q3 2024/25 was reported as 3.96% for Powys
- Percentage of people who have been referred to Health Board services who have completed treatment for substance misuse (drugs or alcohol) reported 88.5% compliance in quarter 4 2025/26 achieving the 4-quarter improvement trend. PTHB ranks 4th in Wales with the All-Wales position for the same period reporting 88.0% compliance
- Percentage of well babies entering the new-born hearing screening programme who complete screening within 4 weeks reported 91.9% compliance against a 90% target in February 2026, the Health Board ranks 7th with the All-Wales position reported as 97.3%
- Percentage of eligible new-born babies who have a conclusive bloodspot screening result by day 17 of life reported 98.4% compliance against a 95% target in March 2026

Exceptions & Escalations

- Percentage of adult smokers who make a quit attempt via smoking cessation services who are co-validated as quit at 4 weeks is not set to achieve the 40% target in 2025/26. The Health Board ranks 6th in Wales with an All-Wales position of 23.4% reported. The Health Board falls well below the required 40% annual target with only 13.35% compliance at the latest reportable position quarter 3 2025/26
- Performance for childhood vaccines by age 5 has improved to 91.1% at the latest position in Q3 although slightly lower than 2024/25 for the same period (91.6%). It should be noted that PTHB benchmarks 1st in Wales with the All-Wales position reporting 87.5% for the same period
- Children receiving Human Papillomavirus (HPV) vaccination by the age of 15 does not meet the 90% target in Q3 25/26 (79.5%) although improves on Q3 24/25 (76.5%). The Health Board is ranked 3rd in Wales for the same period with an All Wales position of 75.6%.
- Flu vaccinations for adults aged 65+ did not achieve the 75% target with 69.0% reported in March 2026, the Health Board ranked 6th in Wales against the All-Wales position of 71.8%
- COVID-19 vaccinations for eligible populations are split by a Spring and Autumn campaign. The Health Board did not meet the required target of 75% for either reporting 55.7% in Jun-25 (Spring) and 61.1% in Feb-26 (Autumn) but ranked 1st in Wales where the All-Wales position reported 58.3%
- The percentage of patients offered an index colonoscopy within 4 weeks of booking specialist screening appointment is an internally escalated measure with performance remaining below target at 20.7% compliance in March 2026.

Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services

Theme - Services Delivered Close to Home

2025/26 Performance Framework Measures			Performance				SPC	Welsh Government Benchmarking (*in arrears)	
No.	Abbreviated Measure Name	Target	Latest Available	12month Previous	Previous Period	Current	Icon	Ranking	All Wales
11	% of GP practices that have achieved all standards set out in the National Access Standards for In-hours GMS	100%	2024/25	100.0%		100.0%		1st	96.8%
12	% of patients (aged 12+) with diabetes who received all 8 NICE recommended care processes	Improvement compared to the same month in the previous year	Mar-26	50.5%	51.5%	52.0%		2nd	46.8%
13	% of the primary care dental services (GDS) contract value delivered (for courses of treatment for new, new urgent and historic patients)	A month on month increase towards a minimum of 30% contract value delivered by	Mar-26	75.0%	68.5%	80.1%	N/A	5th	81.6%
14	No of consultations delivered through the Pharmacist Independent Prescribing Service (PIPS)	Increase compared to the same month in the previous year	Mar-26	511	700	668		7th	21,054
15	Assessments <28 days <18	80%	Mar-26	100.0%	100.0%	97.4%		3rd	91.6%
16	Interventions <28 days <18	80%	Mar-26	91.7%	94.4%	95.7%		2nd	87.8%
17	Assessments <28 days 18+	80%	Mar-26	98.0%	97.4%	93.2%		3rd	83.0%
18	Interventions <28 days 18+	80%	Mar-26	93.7%	92.2%	96.6%		3rd	94.4%
19	Percentage of emergency responses to red calls arriving within (up to and including) 8 minutes	65%	Jun-25	50.3%	46.0%	44.8%		7th	50.7%
TBC	Median target for Purple Arrest: Cardiac or respiratory arrest	6-8 minutes median response time	Mar-26		00:08:40	00:09:34	N/A	6th	00:07:39
	Median emergency ambulance response time to red: emergency category calls	6-8 minutes median response time	Mar-26		00:14:32	00:11:47	N/A	5th	00:09:24
	Median emergency response time to Orange Now calls	12 month reduction trend	Mar-26		00:59:09	00:55:11	N/A	1st	01:25:57
20	Median emergency response time to amber calls	12 month reduction trend	Nov-25	01:04:27	01:20:50	01:13:09		1st	01:42:53
21	Median time from arrival at an emergency department to triage by a clinician	15 minutes or less	Mar-26	4	5	7	N/A	PTHB is not nationally benchmarked against this measure	
22	Median time from arrival at an emergency department to assessment by a senior clinical decision maker	60 minutes or less	Mar-26	4	6	7	N/A		
23	% of patients who spend less than 4 hours in all major & minor emergency care facilities from arrival until admission, transfer or discharge	Improvement compared to the same month in the previous year, towards the national target of 95%	Mar-26	100.0%	100.0%	99.9%		1st	64.2%
24	Number of patients who spend 12 hours or more in all hospital major and minor emergency care facilities from arrival until admission, transfer or discharge	Reduction compared to the same month in the previous year, towards the national target of zero	Mar-26	0	0	0		1st	10,939
26	Number of diagnostic breaches 8+ weeks	0	Mar-26	79	22	1		2nd*	24,733
27	% of children <18 waiting 14 weeks or less for a specified AHP	100%	Mar-26	100.0%	100.0%	100.0%		1st*	85.5%
28	Number of therapy breaches 14+ weeks (all ages)	0	Mar-26	0	4	0		2nd*	4,946
29	Number of adults waiting more than 14 weeks for all audiology pathways (to include new and existing pathways for hearing aids, number of children)	Month on Month Reduction	Mar-26		12	0	N/A	1st*	18,961
30	Number of children waiting more than 6 weeks for all audiology pathways (to include new assessment and intervention pathways)	Month on Month Reduction	Mar-26		5	0	N/A	1st*	2,672
31	Number of patients waiting >52 weeks for a new outpatient appointment	0	Mar-26	0	2	6		4th	12,697
32	Number of patient follow-up outpatient appointment delayed by over 100%	Reduction compared to the same month in	Mar-26	1318	1087	1100		1st	293,112
33	RTT patients waiting more than 104 weeks	0	Mar-26	0	0	0		1st*	2,589
34	Children/Young People neurodevelopmental waits	80%	Mar-26	29.9%	29.9%	36.8%		3rd	24.1%
35	Adult psychological therapy waiting < 26 weeks	80%	Mar-26	71.3%	82.5%	88.4%		1st*	51.4%



Achieved target

- Percentage of GP practices that have achieved all standards set out in the National Access Standards for In-hours remains at 100% for 2025/26 ranking 1st with an All-Wales position reported of 96.8% for the same time period
- The percentage of patients (aged 12 years and over) with diabetes who received all eight NICE recommended care processes reports 52.0% compliance in March 2026 achieving the year-on-year improvement target for the same period. The Health Board is ranked 2nd in Wales with the All-Wales position reported as 46.8% for the same period.
- The number of consultations delivered through the Pharmacist Independent Prescribing Service (PIPS) meets the target of an increase when compared to the same month in the previous year; reporting 668 consultations delivered in March 2026 against 511 delivered in March 2025.
- All Part 1 Mental Health measures for assessments and interventions which support help earlier and closer to home in Powys show achievement of target in March 2026 including.
 - Under 18 assessments (up to and including 28 days from referral) reporting 97.4%% compliance
 - Under 18 interventions (up to and including 28 days following an assessment) reporting 95.7% compliance.
 - 18 year and older assessments (up to and including 28 days from referral) reporting 93.2% compliance
 - 18 year and older interventions (up to and including 28 days following an assessment) reporting 96.6% compliance



Exceptions & Escalations

- Percentage of primary care dental services (GDS) contract value delivered (for courses of treatment for new, new urgent and historic patients) performance does not meet the 100% delivery target for March 2026 although showing improvement reporting 80.1% in March 2026. The Health Board benchmarks 5th against the All-Wales position reported for the same period 81.6%.

Theme - Access Hospital Services Quickly



Achieved target

- Median time from arrival at an emergency department to triage by a clinician in Powys minor injury units (although not included in national reporting) were compliant throughout the 2025/26 year with a median time of 7 minutes reported in March against the 15 minutes or less target
- Median time from arrival at an emergency department to assessment by a clinical decision maker. Powys minor injury units (although not included in national reporting) were compliant throughout the 2025/26 year with a median time of 7 minutes reported in March against the 60 minutes or less target
- Percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e. A&E) facilities from arrival until admission, transfer or discharge. Powys minor injury units performed well throughout the 2025/26 year with 99.9% compliance reported in March 2026 vs the improvement toward 95% target
- Number of patients who spend 12 hours or more in all hospital major and minor emergency care facilities from arrival until admission, transfer, or discharge. Powys minor injury units were compliant throughout the 2025/26 year with zero breaches reported in any month (zero March 2026)
- Percentage of children (aged under 18 years) waiting 14 weeks or less for a specified Allied Health Professional therapy achieved robust performance throughout the 2025/26 financial year with 100% reported in March 2026
- Number of patients (all ages) waiting more than 14 weeks for a specified therapy reported zero breaches at the end of March 2026.
- Number of patients (adult hearing aids only) waiting more than 14 weeks for audiology also reports zero breaches at the end of March 2026
- Number of children waiting more than 6 weeks for all audiology pathways (to include new assessment and intervention pathways) again reported zero breaches at the end of March 2026.
- Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100% is an internally escalated measure within the Health Board following data quality concerns. The target is for reduction compared to same month in the previous year and this was achieved in March 2026 when 1100 pathways were reported

delayed by over 100% compared to 1318 in March 2025. Powys benchmarks 1st in Wales with an All-Wales total position of 293,112 delayed

- PTHB achieved the target of zero for the number of patients waiting more than 104 weeks for referral to treatment; with no pathways reported as breaching as a provider during 2025/26
- Percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health has achieved the target reporting 88.2% at the end of March 2026

Exceptions & Escalations

- From July 2025 the Welsh Ambulance Service NHS Trust (WAST) 8-minute response times to RED calls has been retired and replaced with median emergency ambulance response time to purple (arrest category calls) and median emergency ambulance response times to red (emergency category calls). However, at the last nationally reported position in June 2025 the percentage of emergency responses to red calls arriving within (up to and including) 8 minutes was not compliant, reported as 44.8% compliance against the 65% target
- WAST median emergency ambulance response time to purple arrest category calls in Powys is reported as 9 minutes and 34 seconds in March 2026 compared to the 6 – 8 minute median target
- WAST median emergency ambulance response time to red emergency category calls in Powys is reported as 11 minutes and 47 seconds in March 2026, which is than the 6 – 8-minute median target
- The number of patients waiting more than 8 weeks for a specified diagnostic did not meet the target of zero breaches, although internal recovery trajectories for Cardiology diagnostics were achieved. Unfortunately, a single breach in Endoscopy was reported at the end of March 2026. It should be noted that this is a significant improvement in March 2025 where 81 pathways were waiting over 8 weeks. PTHB ranks 1st in Wales for achieving diagnostic targets and the All-Wales position in February reported that 38,486 patients waited over 8 weeks
- The number of patients waiting more than 52 weeks for a new outpatient appointment (stage 1) did not achieve the NHS Performance Framework target of zero. PTHB reported 6 breaches at the end of March 2026, they are linked to a very fragile in-reach Rheumatology service in Mid Powys

- PTHB did not meet the target for percentage of children and young people waiting less than 26 weeks to start an ADHD or ASD neurodevelopment assessment of 80%, with 36.8% achievement reported. The service remains internally escalated with scrutiny and support provided by the Executive Oversight function. The locally agreed ambition in the Annual Plan 2025/26 was that no patient should wait longer than 2 years achieved in March

Non RAG rated measures 2025/26

- "Orange Now" calls in the Welsh Ambulance Service, implemented in late 2025, are a 999-response category for serious, time-sensitive conditions requiring rapid, face-to-face clinical assessment and hospital transfer. This category replaces the old "Amber" category for conditions like suspected strokes or heart attacks (STEMI) to improve patient outcomes. The target measure is for a 12-month reduction trend but only 4 data points are available at the end of March. Currently performance is reported at 55 minutes and 11 seconds with an all-Wales average of 1 hr and 13 minutes 09 seconds

Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable

2025/26 Performance Framework Measures			Performance				SPC	Welsh Government Benchmarking (*in arrears)	
No.	Abbreviated Measure Name	Target	Latest Available	12month Previous	Previous Period	Current	Icon	Ranking	All Wales
36	(R12) Sickness Absence	12 month reduction trend	Mar-26	5.30%	5.48%	5.50%		5th (Jan-26)	6.34%
37	Turnover rate for nurse and midwifery registered staff leaving NHS Wales	Rolling 12 month reduction against a baseline of 2024/25	Feb-26	9.0%	8.8%	8.4%		9th	5.60%
38	Agency spend as a percentage of the total pay bill	12 month reduction trend	Mar-26	4.1%	4.0%	2.0%		12th (Jan-26)	2.0%
39	Performance Appraisals (PADR)	85%	Mar-26	82.0%	80.1%	80.0%		7th (Jan-26)	77.5%

The measures within this domain continue to see broad improvement within 2025/26 although ongoing challenges remain.

Theme - Motivated and Sustainable Workforce



Achieved target

- The Health Board was compliant with the 12 month rolling target for a reduction in turnover rate for nurse and midwifery registered staff leaving NHS Wales. Turnover was reported at 8.44% in February 2026 (8.99% February 2025 as comparison) and a peak of 9.74% reported in May 2025.
- Agency spend as a percentage of the total pay bill has seen good improvement through 2025/26 with 2.0% reported in March 2026. In comparison during Q1 2025/26 monthly agency spend peaked at over 7%.



Exceptions & Escalations

- The Health Board is not compliant with the target for the percentage of sickness absence rate of staff. The target is for a 12-month reduction target, and the Health Board reported 5.50% in March 2026. PTHB sickness is below the All Wales 12-month average of 6.34% with the Health Board reported as ranking 5th out of 13 organisations in January 2026.

Theme - Training and Development



Exceptions & Escalations

- The performance against the target for a percentage headcount by organisation who have had a Personal Appraisal and Development Review (PADR)/medical appraisal in the previous 12 months (excluding doctors and dentists in training) does not meet the 85% target threshold. The Health Board reported 80% in March 2026, this is slightly below the March 2025 position which reported 82% compliance.

Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation

2025/26 Performance Framework Measures			Performance				SPC	Welsh Government Benchmarking (*in arrears)	
No.	Abbreviated Measure Name	Target	Latest Available	12month Previous	Previous Period	Current	Icon	Ranking	All Wales
40	% of episodes clinically coded within one month post discharge end date	Maintain 95% target or demonstrate an improvement trend over 12 months	Feb-26	100.0%	100.0%	100.0%		1st	85.0%
41	% of all classifications' coding errors corrected by the next monthly reporting submission	90%	Feb-26	100.0%	100.0%	100.0%		1st	55.9%
42	No of Pathways of Care delayed discharges	12 month reduction trend	Mar-26	53	67	52		2nd	1351
43	% residents with CTP <18	90%	Mar-26	97.4%	90.7%	90.4%		6th	93.8%
44	% residents with CTP 18+	90%	Mar-26	81.9%	83.8%	82.8%		6th	84.8%
45	Number of service user feedback experience responses completed and recorded on CIVICA	Month on Month Improvement	Mar-26	444	634	568		8th	34,897
46	HCAI - Klebsiella sp and Aeruginosa cumulative number	Health Board Specific Target	Mar-26	0	0	0	N/A	PTHB is not nationally benchmarked for infection rates	
47	HCAI - E.coli, S.aureus bacteraemia's (MRSA and MSSA) - Cumulative rate of confirmed cases per 100,000	Health Board Specific Target	Mar-26	2.98	1.62	1.48	N/A		
48	HCAI - cumulative rate of C.Difficile cases per 100,000 population	Health Board Specific Target	Mar-26	15.68	19.51	20.08	N/A		
50	Percentage of ophthalmology R1 patients who attended within their clinical target date (+25%)	12 month improvement trend towards national target of 95%	Mar-26	68.2%	67.3%	74.2%		1st	59.8%
53	No of patient safety incidents that remain open 90 days or more	12 month reduction trend	Mar-26	16	21	16		4th	211

It should be noted that Health Care Acquired Infections (HCAI) are not nationally benchmarked for Powys Teaching Health Board but a cumulative year comparison from 2023/24 will be used within this document.

Theme – Effective Services



Achieved target

- The Health Board's compliance for coding remains exemplary, with 100% of episodes clinically coded within one-month post-discharge as reported in February 2026, and 100% of all classifications' coding errors corrected by the next monthly reporting submission for the same period. PTHB ranks 1st in Wales for both measures with All-Wales positions reported as 85.0% and 55.9% respectively.

Theme – Efficient Services (only 1 measure).



Exceptions & Escalations

- For the number of pathways of care with delayed discharges the reported performance for March 2026 was 52, this meets the 12-month reduction target set by Welsh Government. PTHB benchmarks 2nd in Wales for the same period where the All-Wales position reported a total of 1,351 delayed discharges

Theme People Centred Care



Achieved target

- The Mental Health Part 2 measure percentage of Health Board residents in receipt of secondary mental health services who have a valid care and treatment plan for people aged under 18 years achieved the 90% national target reporting 90.4% compliance at the end of March 2026



Exceptions & Escalations

- Number of service user feedback experience responses completed and recorded on CIVICA reported 568 in March 2026 failed to meet the month-on-month improvement target.
- The Mental Health Part 2 measure percentage of Health Board residents in receipt of secondary mental health services who have a valid care and treatment plan for adults 18 years and over has not met the 90% target during 2025/26, the latest reported performance in March reported a slight drop in performance to 82.8% although improving on the same period last year where compliance was reported at 81.9%

Theme – Safe Services



Achieved target

- No measures achieved the target under the safe service theme



Exceptions & Escalations

- Percentage of ophthalmology R1 appointments attended which were within their clinical target date or within 25% beyond their clinical target date performance has continued to be under significant

challenge in 2025/26 and has not achieved a 12-month improvement toward 95%. In March compliance has been reported at 74.2% and is linked to the in-reach fragility for ophthalmology in mid Powys. It should be noted that Powys routinely benchmarks positively against the All-Wales position which reported 59.8% in March.

- Number of National Reportable Incidents that remain open 90 days or more does not meet the 12-month reduction target with 14 reported at March 2026. (under investigation as priority with NHS P&I)

Non RAG rated measures 2025/26

- PTHB reported zero cases of laboratory confirmed bacteraemia cases: Klebsiella sp and Pseudomonas aeruginosa
- There was a reduction when compared to 2024/25 for the cumulative rate of laboratory-confirmed bacteraemia cases per 100,000 population for MRSA and MSSA which reduced from 2.98 per 100k reported in March 2025 to 1.48 per 100k reported in March 2026.
- The cumulative rate of laboratory confirmed C. difficile cases per 100k population showed an increase in March 2026 (20.08 per 100k) when compared to March 2025 (15.68 per 100k)

COMMISSIONED PERFORMANCE AND ASSURANCE

Planned care referral to treatment wait pathways for commissioned services have seen significant improvement in Wales through 2025/26 against the key waiting time targets. The Health Board robustly reviews, engages, and provides assurance on behalf of Powys residents on a monthly basis through the Integrated Quality and Performance Framework. It should also be noted that commissioned services in England operate on a different system of pathway rules and standards for patients referred for treatment; and the Board took a decision in the Annual Plan 2025/26 to commission NHSE providers to NHS Wales waiting times

The next section will review Powys resident waits for 2025/26 period across the key NHS Performance Framework Wales priority measures for planned care where applicable data is available. The NHS Wales Performance Framework measures for planned care in 2025/26 were to eliminate patients who waited more than 52 weeks for a first outpatient appointment (stage 1) and those patients waiting more than 104 weeks for treatment

Wales - Number of patients waiting more than 52 weeks for a new outpatient appointment.

New outpatient performance improved significantly in 2025/26 with only 28 total PTHB patients reported as waiting over 52 weeks at the end of March. Cwm Taf Morgannwg (CTMUHB), Hywel Dda (H DUHB), and Swansea Bay (SBUHB) achieved zero breaches for Powys residents. All providers report statistical improvement, as comparison 324 pathways were waiting over 52 weeks in March 2025.

Wales - Number of patients waiting more than 104 weeks for referral to treatment

There was also reported performance improvement for patients waiting over 104 weeks with 10 pathways breaching the target at the end of March 2026 (41 reported March 2025). Aneurin Bevan (ABUHB), CTMUHB, H DUHB, and SBUHB all reported zero breaches for PTHB patients.

	Mar-26	No. long waits by cohort, with latest SPC variance						Total pathways Waiting	Stage 1 pathways over 52 weeks	
Welsh Providers	% of Powys residents < 26 weeks for treatment	All pathways waiting over 36 weeks.		All pathways waiting over 52 weeks.		All pathways waiting over 104 weeks.				
Aneurin Bevan University Health Board	74.1%	437		258		0		2339	10	
Betsi Cadwaladr University Local Health Board	63.9%	151		82		5		632	9	
Cardiff & Vale University Health Board	57.8%	95		58		5		351	9	
Cwm Taf Morgannwg University Health Board	61.4%	188		85		0		696	0	
Hywel Dda University Health Board	62.8%	391		250		0		1323	0	
Swansea Bay University Health Board	70.2%	361		191		0		1733	0	
Total	68.1%	1623		924		10		7074	28	

England - Number of patients waiting more than 104 weeks for referral to treatment

Wye Valley NHS Trust and Robert Jones and Agnes Hunt Hospitals Trust implemented Powys Teaching Health Board Commissioning Intentions to book to NHS Wales waiting times for treatments. The Shrewsbury and Telford NHS Trust (SaTH) did not implement the change, leading to a dispute with the commissioner. The effects of these actions can be seen in the table below.

Against the 104-week target 114 pathways breached in March 2026. Robert Jones & Agnes Orthopaedic Hospital NHS Foundation Trust (RJA) report 110 of these breaches and WVT reported 4 pathways. It is noted that RJA has specific capacity issues outside of the PTHB Commissioning Intentions

actions in several speciality areas which contributed to this performance picture.

	Mar-26	No. long waits by cohort, with latest SPC variance						Total pathways Waiting
English Providers	% of Powys residents < 26 weeks for treatment	All pathways waiting over 36 weeks.		All pathways waiting over 52 weeks.		All pathways waiting over 104 weeks.		
English Other	79.1%	28		3		0		235
The Robert Jones and Agnes Hunt Orthopaedic Hospital	42.6%	1734		1085		110		3858
The Shrewsbury and Telford Hospital NHS Trust	70.6%	591		160		0		3615
Wye Valley NHS Trust	68.3%	770		306		4		3782
Total	60.6%	3123		1554		114		11490

Cancer

Powys as a provider does not treat patients for cancer and is excluded from the ministerial priority measure “Percentage of patients starting their first definitive cancer treatment within 62 days from point of suspicion (regardless of the referral route)”, the Health Board does however accept urgent suspected cancer referrals for key outpatients and diagnostics (ultrasound and endoscopy) predominately in South Powys and plays an important role in some residents pathways of care including end of life. For treatment, patients access care via commissioned acute service providers and specialist trusts in England and Wales. Performance in Welsh providers has seen provisional improvement at the year-end reporting 71% compliance for 42 treatment pathways in March. Key acute care providers for example Aneurin Bevan UHB and Swansea Bay UHB achieved or were close to target whilst the other Welsh providers report a more challenged position to treat Powys residents within target in key specialties.

English commissioned services have seen improvement especially in SaTH.

Across Wales and England, the key challenges remain overall capacity across outpatient, diagnostic, and surgical elements of the pathway. Demand remains high and many pathways are complex or require multiple diagnostics prior to diagnosis and subsequent downgrade or treatment.

Emergency Department Access

No commissioned service met the required national 4-hour or 12-hour targets in 2025/26 for their A&E departments. However, Welsh emergency department performance for Powys residents has been reliably better than

their English counterparts, though significant delays persist, especially in ambulance handovers.

Summary of Performance

During 2025/26, Powys Teaching Health Board continued to demonstrate strong performance across several key national priorities, despite ongoing system-wide pressures affecting health and care services across Wales and England.

The organisation has shown strength and improvement in prevention, primary and community care, mental health access standards, diagnostic performance, and services delivered closer to home.

Notable achievements during the year for improved health and wellbeing of the population included excellent performance in smoking cessation, newborn screening programmes, mental health assessment and intervention targets. Powys also maintained strong comparative performance against other Health Boards in several areas, frequently benchmark ranking amongst the highest-performing organisations in Wales.

The Health Board's locally delivered minor injury and provider-based services continued to perform strongly throughout the year, with sustained compliance against treatment and outpatient waiting times, emergency access standards and therapy waiting time measures. Improvements were also seen in reducing long waits for planned treatment pathways across commissioned services, reflecting collaborative work with providers in both Wales and England.

However, significant challenges remain. Demand pressures, workforce fragility, and capacity constraints across the wider health and care system continue to impact performance in several areas. This is particularly evident in ambulance response times, neurodevelopmental assessment waits, ophthalmology, some vaccination uptake measures, delayed pathways of care, and elements of commissioned specialist treatment services. The Health Board also recognises the continued need to improve staff wellbeing indicators, including sickness absence and appraisal compliance.

With significant commissioned activity across both Wales and England, pressures within urgent and planned care pathways remain substantial, particularly where services are dependent on external commissioned providers. While improvements have been achieved during the year, sustained recovery will require continued regional collaboration, targeted

investment, workforce development, and system-wide transformation supported by the Better Together approach going into 2026/27.

Overall, the 2025/26 performance position demonstrates that Powys Teaching Health Board has continued to make measurable progress against a challenging operational backdrop, whilst maintaining a clear focus on quality, access, prevention, and patient-centred care for the population of Powys.

Six Goals for Urgent and Emergency Care

Powys Teaching Health Board is committed to delivery of the Six Goals for Urgent and Emergency Care programme, recognising the importance of providing the right care, in the right place, and at the right time. Acknowledging the challenges ahead, it remains dedicated to continuous learning, improvement, and sharing best practice as it strives to meet the goals.

PTHB's focus is on improving access, coordination, and the overall experience of urgent and emergency care services for Powys people, ensuring the provision of safe and timely care for populations at greater risk, and addressing disparities in access for marginalised communities.

Effective communication and language accessibility are integral to this, with a commitment to enabling seamless access to services for individuals who choose to communicate in Welsh. The Six Goals funding empowers the Health Board, working with key partners, to invest in essential resources and workforce training, fostering the development of a resilient and responsive urgent and emergency care system. Integration and collaboration with other NHS and partnership plans and programmes will enable the delivery of streamlined care pathways. Through transparency, accountability, and active engagement with service users, clinical leaders, and partners we will monitor progress and deliver the high-quality care that the Powys community deserves.

PTHB does not run acute consultant-led urgent and emergency care services but does have directly managed Minor Injury Units across Powys and an element of minor injury services delivered within Primary Care settings. The Health Board is working collaboratively with Powys Clusters and partners including WAST to expand the range of non-acute 24/7 urgent care services. This will increase footfall management and avoid emergency admissions and conveyances. This will also reduce lengths of stay, improve patient flow and care, with a home first ethos and improved access to community therapy.

Welsh Government has allocated £2.75m 2025/26, with the exception of Powys Teaching Health Board and Velindre NHS Trust which each received £835,000, to support activity through their local Six Goals programmes. Health Boards are required to demonstrate how this money has been spent against the Six Goals priorities and provide detail of the impact of the funding. This in turn supports decision making around expansion of successful planning and intervention.

For Powys the focus in this area is a bespoke implementation of Welsh Government's Six Goals for Urgent and Emergency Care because of the unique non acute provision of local health care. A summary of key achievements for 2025-26 within the Six Goals for Urgent and Emergency Care programme is provided below:

Ministerial Priority	High level summary of Key Achievements
UEC1: Implement effective Community Based Falls Response Services	Development of a community-based Level 2 Falls Response model completed, with delivery anticipated early Q1 via Single Point Of Access. • Multi-agency Falls Response model developed for rural Powys • Falls pathway designed for delivery through SPOA • Demand analysis completed to inform model and workforce • 24 care home falls training sessions delivered • Preparatory work completed to enable mobilisation • Delivery anticipated early Q1, aligned to SPOA
UEC2: Implement a robust 'Single Point of Access' (SPOA) for urgent and emergency care	SPOA progressed from design to live operation, enabling coordinated admission avoidance. • SPOA model established, prioritising admission avoidance • Admission Avoidance Clinical Leads appointed and in post • Soft launch implemented, managing step-up referrals • Telephony and physical hub operational • Core digital infrastructure in place for initial delivery
UEC3: Implement an Acute Front Door Frailty Service at all acute hospitals	Frailty model progressed through alternative approaches focused on admission avoidance and community redirection. • Delivery approach aligned to Powys model without Type 1 Emergency Department • Therapies-led pilot implemented within ED setting • Increased reablement referrals observed • Funding secured to continue and evaluate pilot

UEC4: Implement the Welsh Health Circular - Ambulance Patient Handover Guidance	Delivery focused on maintaining low system risk in the absence of Type 1 Emergency Departments. • Ambulance handover delays remain minimal • Supported through admission avoidance and community pathways
UEC5: Implement actions described in the Optimal Hospital Flow Framework (OHFF)	Structured approach to improving hospital flow progressed through digital enablement and revised training. • Powys DigiFLO in place, improving flow visibility and adoption • Red to Green dashboard implemented • Revised OHFF training commenced with positive early feedback • 33% discharges achieved by midday from November onward • D2RA processes automated to support performance visibility • Trusted Assessor model progressed

Progress against Wellbeing of Future Generations (Wales) Act 2015

The Wellbeing of Future Generations (Wales) Act (2015) sets out improve the social, economic, environmental and cultural wellbeing of Wales.

The PTHB Annual Plan is set in the context of the shared, long-term health and care strategy, A Healthy Caring Powys, with a set of Wellbeing Objectives and Enabling Objectives, closely aligned to the Wellbeing of Future Generations Act, which are a component part of this. These were developed by the Powys Regional Partnership Board (RPB), following extensive engagement with the communities and stakeholders in Powys, and is the basis both for the RPB Area Plan and the PTHB Annual Plan (the latter being the subject of this report).

The account of Progress against Plan that follows therefore provides a report of progress against the Wellbeing Objective (and the full Progress against Plan report for the Year End has the full detail, with a highly granular assessment by deliverable – this can be found on the PTHB Webpages at [Board Meetings - Powys Teaching Health Board](#)

Powys Teaching Health Board's self-assessment against the Future Generations Report 2025 recommendations shows strong progress already in place, with additional actions identified where items are accepted in principle or outside the Health Board's remit. Key work completed against the criteria includes:

- Embedding the Wellbeing of Future Generations Act in planning and delivery: The IMTP/Annual Plan is aligned to the joint long-term Health and Care Strategy and Wellbeing Objectives, with Board involvement and a consistent “ways of working” approach through planning and transformation (including Better Together)
- Building trust through engagement: Strategy and service change are supported by extensive public and staff engagement (including large-scale consultation and continued programme engagement activity)
- Climate and nature leadership in Estates management: Action is underway on energy efficiency, decarbonisation and biodiversity alongside development of a Climate Response Plan.
- Prevention and inequalities focus: Prevention is established as a strategic priority, with the development of a Population Health Strategic Framework (2025), use of needs assessments in planning, and embedded equality impact assessment processes
- Promoting culture, language and community capacity: Welsh language governance and workforce measures are in place (policy, recruitment tool, training uptake), complemented by a structured volunteering programme and partnership working with the third sector
- Global responsibility: Work continues through NHS Wales Shared Services Partnership to strengthen ethical/deforestation-free supply chains

The mapping of the PTHB Wellbeing and Enabling Objectives against the 7 national Wellbeing Goals and the 5 Ways of Working, within the Well-being of Futures Generations (Wales) Act, can be seen in the matrix below:-

➔	PTHB Wellbeing and Enabling Objectives	Focus on Wellbeing	Early Help and Support	Tackling the Big the Four	Joined Up care	Workforce s Futures	Digital First	Innovativ e Environme	Transform ing in Partnershi
Seven National Wellbeing Goals	A Prosperous Wales	✓	✓	✓	✓	✓	✓	✓	✓
	A Resilient Wales	✓	✓	✓	✓	✓	✓	✓	✓
	A Healthier Wales	✓	✓	✓	✓	✓	✓	✓	✓
	A More Equal Wales	✓	✓	✓	✓	✓	✓	✓	✓
	A Wales of Cohesive Communities	✓	✓	✓	✓	✓	✓	✓	✓

	A Wales of Vibrant Culture & Thriving Welsh Language	✓	✓	✓	✓	✓	✓	✓	✓
	A Globally Responsible Wales	✓	✓	✓	✓	✓	✓	✓	✓
Five Ways of	Long term	✓	✓	✓	✓	✓	✓	✓	✓
	Prevention	✓	✓	✓	✓	✓	✓	✓	✓
	Integration	✓	✓	✓	✓	✓	✓	✓	✓
	Collaboration	✓	✓	✓	✓	✓	✓	✓	✓
	Involvement	✓	✓	✓	✓	✓	✓	✓	✓

Key:

✓ - Primary areas of delivery

✓ - Secondary contribution to delivery

Progress against the PTHB Annual Plan

Reporting of progress against the Plan takes place on a quarterly basis and is an important component of the Health Board's assurance and performance management regime. This is particularly relevant in the context of the Health Board's escalation status of Level 4 for strategy, finance and planning.

Each of the 22 Strategic Priorities set out within the Annual Plan are reviewed and a commentary provided by Executive Leads on key achievements and challenges. An additional explanation including mitigating action is also included where any items are rated as at risk. Executive sign off is in place, to ensure that the report reflects the appraisal carried out within Directorates and is given as part of the Executive Leads accountability for their portfolio and strategic priorities.

Improvements have been made continuously to this reporting, to enable sufficiently detailed yet concise reporting of progress against the PTHB Integrated Plan. There has been an increased focus on the commentary in response to feedback from Committee and Board, to provide greater insight into the impacts that actions are having and the key achievements.

The Delivery Plan has also been mapped to the Ministerial Advisory Group (MAG) requirements which are now also reflected in the Welsh Government publication 'Improving Performance Together' which was issued in July 2025.

Once considered, moderated and approved by the Executive Committee, the reports are then submitted to the Finance and Performance Committee, PTHB Board and finally to Welsh Government as a formal report of progress against the Plan, in line with national reporting requirements.

Progress Summary at Year End

A summary is provided below of progress made with delivery of the Wellbeing Objectives, Enabling Objectives and Strategic Priorities in the Plan as reported for year end.



As can be seen above, of the 327 key deliverables identified for completion as at year end in 2025/26:

- 232 were completed
- 39 were not fully completed, but considered to be on track
- 25 were at risk of delivery
- 31 were noted as behind schedule

The full Year End report is available on the PTHB Website at [Board Meetings - Powys Teaching Health Board](#) – and provides comprehensive appraisal of each area of delivery, including:

- A review of all areas not delivered in year (those noted as at risk or behind schedule) with an explanatory commentary including mitigating actions, and mapping to the Annual Plan for 2026/2027
- An appraisal of items related to the recommendations in the Ministerial Advisory Group Report on NHS Wales Performance and Productivity
- An appraisal of items relating to 'Critical Actions' in the plan

Detailed updates on key areas of delivery and performance including ministerial priorities and enabling actions have also been provided at monthly IQPD (Integrated Quality, Performance and Delivery) meetings with Welsh Government and also at Joint Executive Team (JET) meetings and the Public Accountability Meeting which was newly introduced in 2025/2026 by Welsh Government.

Achievements 2025/2026

Focus on Wellbeing

- "Preventing the Preventable: Population Health Strategic Framework" was approved in September 2025 enabling a coordinated and preventative approach to health and wellbeing
- UNICEF Baby Friendly Initiative Stage 1 standards were delivered, improving outcomes
- There have been high children's vaccination uptake rates and effective delivery of immunisation, with strong public engagement.
- Help Me Quit supported the adult smoking population to access treatment
- A targeted vaping awareness campaign with young people has been implemented across secondary schools
- 420 premises have been signed up to the Breastfeeding Welcome Scheme
- An additional 5 Early Years settings have achieved the Gold Standard Healthy Snack Award
- 2 Making Every Contact Count training sessions have been held with 31 participants targeting midwives, Primary Care and Powys Association of Voluntary Organisations colleagues
- PTHB Participated in Exercise Pegasus, the UK's largest ever national simulation of a pandemic
- The Covid-19 Vaccination Spring and Autumn campaigns were completed (cross-reference to Delivery and Performance Analysis section for further detail)

- Flu and Respiratory Syncytial Virus (RSV) vaccinations were carried out in Powys (cross-reference to Delivery and Performance Analysis section for further detail)
- There has been a new online Women's Health Hub, providing accessible, high-quality information across a comprehensive range of Women's Health topics

Early Help and Support

- There has been significant progress with Better Together models of care for adult physical and mental health community services, wide engagement internally and externally and the completion of demand and capacity modelling and a series of appraisals
- The foundational model design has progressed into early implementation testing, as part of the Better Together work programme, including Single Point of Access rollout, frailty in-reach, and enhanced Emergency Department support
- Successful roll out of single point of access for Orthopaedics/Muscular skeletal care triage
- The Waiting Well Service is supporting patients on NHS waiting lists to stay healthy and prepared.
- The commissioning of the Getting It Right First Time (GIRFT) Programme to appraise and drive opportunities in Planned Care has been completed for on-going development in 26/27
- Commencing Level 2 Community-Based Falls Response integrating with Single Point of Access
- A structured prescribing optimisation programme was delivered aligned to NHS Wales Value and Sustainability Board priorities, targeting high-cost and high-variation areas and achieving measurable cost avoidance through formulary adherence, switching initiatives, and appropriate deprescribing
- Strengthened engagement with GP practices and Clusters, supported by targeted Medicines Management, data insights, and clinical leadership, has enabled a consistent, data-driven approach to prescribing efficiency and reduced unwarranted variation
- Continued delivery of the Antimicrobial Stewardship programme in line with national and Public Health Wales expectations has improved prescribing quality through audit, feedback, and education, particularly in primary care
- Progressed self-administration schemes across community hospital settings, supporting patient independence and improving medicines understanding
- A PTHB Clinical Endoscopist received the British Society of Gastroenterology President's Medal in recognition of outstanding achievement and service to gastroenterology

- A Community Optometrist now in post within Planned Care, supporting triage of referrals and follow-up management in line with the ophthalmology optimisation framework
- A Community Health Pathways business case was approved for implementation in 2026–27, enabling a more consistent, evidence-based approach to patient pathways across community services, improving access, reducing variation
- Strengthened the Continuing Healthcare adult pathways service model, with enhanced support for assessment teams in place, improving consistency of assessments and supporting better discharge performance

Tackling the Big Four

- Innovations have brought care closer to home for those with multiple major conditions, and improvements have been made in community cardiology, diabetes care and the Improving Cancer Journey Programme
- Mental Health services achieved national recognition as a demonstration site for implementation of the open access model within the Single Point of Access
- Hybrid Closed Loop (HCL) was approved, enabling HCL diabetes management to be delivered closer to home for patients, improving access to advanced diabetes technology and supporting better self-management and outcomes
- The creation of a Mental Health Data repository improves the data that is being captured and subsequent Business Intelligence reporting
- Completed rollout of WCCIS across inpatient mental health settings, improving consistency of clinical documentation, information sharing, and continuity of care
- As part of the Better Together programme, Demand and Capacity work has been completed for Older Adult Community and Inpatient Settings in Mental Health
- Development of an interim Part 1 (Mental Health Measure) to reflect core offer of interventions and treatment made available (local primary mental health treatment)
- Approval of an investment business case to increase psychological input and Dialectical Behaviour Therapy for inpatients settings to support recovery of people with complex emotional needs and trauma
- The Dementia Home Treatment Teams have been aligned to act as a pan-Powys team with a consistent operational response

Joined Up Care

- Implementation of the Strategic Commissioning Framework has commenced, and will be a cornerstone for further development
- Temporary service changes have modernised and refocused inpatient care and rehabilitation, improving patient flow and reducing the risk of deconditioning – these will inform the next steps of the Better Together programme
- Enhanced visibility of patient flow has been achieved through Powys DigiFLO, enabling improved real-time tracking of D2RA (discharge to recover then assess) pathway allocation and monitoring of patient progression throughout the inpatient stay. This has supported better understanding of flow dynamics and identified changes in pathway movement over time, strengthening operational oversight and discharge planning.

Workforce Futures

- The Health Board has improved its Staff Survey response rate reflecting stronger staff engagement and participation
- Agency usage has reduced compared to 2024/25 showing benefits of strengthened controls and efficiencies (cross-reference to Delivery and Performance Analysis section for further detail)
- Successes in talent development and 'Grow Our Own' with training pipelines such as Aspiring Nurses, Physio, Radiographer and Digital Therapy
- Leadership development has increased leadership capability and supported workforce development
- Efficiencies in recruitment processes has resulted in reduction in time to hire by 20%
- Bank shifts hours have increased compared to 2024/25
- All Internationally Educated Nurses were fully supported through their Objective Structured Clinical Examination (OSCE) training, resulting in a 100% pass rate and successful progression into practice
- Investment in "grow our own" nursing pathways is now delivering strong outcomes, with 36 newly qualified Registered Nurses (RNs) and Registered Mental Health Nurses (RMNs) expected to enter the workforce in 2026 through internal training routes. This represents the largest single-year output of registered nurses the organisation has ever produced, strengthening future workforce sustainability
- The Staff Engagement Index remained the highest of all Health Boards in Wales and 4th for all NHS Wales organisations
- Wellbeing roadshows were delivered across 10 sites in total, plus road runs to a further 13 sites, engaging with staff

- The Introduction to Compassionate Leadership (CLIP) course continues to be delivered online both as a stand-alone programme and as part of the pre-requisites for CLIP Level 2.
- The rollout of the Convo app which allows British Sign Language (BSL) signers to contact your local NHS GP, dentist optician or Pharmacy means that PTHB have the highest coverage of any part of Wales
- The Health Board became a signatory to the Hate Crime Charter, signalling a zero-tolerance stance and achieved Disability Confident Level 2 and accreditation with an aim to achieve Disability Leader status in 2026-27

Digital First

- Implementation of Scan4Safety to enhance surgical safety and improved stock management
- The completion of the Cyber Assurance Framework strengthens cybersecurity posture
- The Radiology Informatics System Procurement (RISP) went live

Innovative Environments

- North Powys Health, Care and Wellbeing Integrated Hub Strategic Outline Case/ Outline Business Case was approved by Welsh Government
- Business Justification Case has been developed for next phase of the Llandrindod Wells Hospital development
- A range of Estates projects were successfully delivered, including the opening of the Welshpool dining room
- Award of £90K from Integration and Rebalancing Capital Fund for business case for the Spa Road, Llandrindod Integrated Hub
- A planning application has been submitted for Bronllys Chapel and Business Justification Case is being developed to secure funding
- There has been further investment in Electric Vehicles and Electric Vehicle charge point network
- NHS Wales Shared Services Partnership (NWSSP) Internal Audit concluded a “substantial” assurance rating for the Catering Audit, indicating strong controls and compliance within the service area

Transforming in Partnership

- A comprehensive programme of stakeholder engagement has been undertaken for the Better Together Programme
- Implementation of the Partnership Development Framework across 12 multi-agency partnerships
- First phase of review of Third Sector services was completed which focused on alignment with strategic priorities and population needs

- The Powys Health Charity website has been launched
- The Powys Regional Partnership Board resource plan was refocused on the greatest system pressures, and the Delivery and Resource Plan was approved
- A PTHB Partnership Governance and Assurance Framework has been developed, spanning 19 partnerships including their business and planning cycles – together with bi-annual high level reports
- The Board and Committee schedule for 2025/26 was fully delivered, achieving compliance, with work programmes actively monitored throughout the year
- Board Assurance Framework priority development areas have been fully delivered
- Board Development and briefing programmes were assessed as effective through the annual effectiveness survey
- Active work underway with the Board to review Risk Management arrangements (Risk Appetite, Risk Management Framework, Strategic Risks) into Q1 of 2026/27 in alignment with the Annual Plan

Clusters

- Pan-Powys Cluster approach is fostering positive relationships and collaborative working, with sharing of learning from successful initiatives
- Cluster Plans for 2026 – 2027 have been agreed and signed off by the Regional Partnership Board Executive Group (the Pan-Cluster Group)
- Of the 13 Cluster projects in 2025/26, 10 live and in progress, 1 delayed start due to seasonal reasons, 2 under review
- Mid & South Cluster are preparing to merge, with full implementation in April 2026

General Practice

- Use of NHS App increased for GP appointment bookings, cancellations, and repeat prescriptions, with 26,219 patients registered
- Patient survey results: 4,493 patient responses: Most respondents felt listened to (67% always); well cared for (66% always); Waiting times 76% stated about right/shorter than expected
- 100% compliance with Access Standards for Q1, Q2 and Q3; 100% submission of contractual Mid-Year Reflective Reports

Dental

- Recruitment of endodontic consultant to bring care closer to home

- Implementation of Dental student placements, to support future work force planning
- Cluster project: Frailty dental nurse to ensure vulnerable patients have oral care prevention plan
- Strengthened 'hybrid' model between a Powys Teaching Health Board salaried service and independent contractor model to bolster resilience

Optometry

- 8 optometrists have the independent prescribing qualification
- 10 practices signed up to deliver some aspects of hospital eye care closer to home (Medical Retina: 10 practices; Glaucoma Filtering: 2 practices; Glaucoma Monitoring: 6 practices)

Primary & Community Care Academy

- Delivered Protected Learning with 29 Subjects offered and 1486 learner contacts
- 58 subjects and 675 learner contacts achieved in clinical and non-clinical training
- GP Nurse Foundation Programme: 100% trained (all but one person retained in post)

Long Term Expenditure Trends

PTHB incurs expenditure under three main areas and the annual expenditure for each of these areas for the last 5 years is as follows:

	Annual Expenditure values				
Expenditure by Type	2021-22	2022-23	2023-24	2024-25	2025-26
	£m	£m	£m	£m	£m
Primary Healthcare Services	72	75	79	83	85
Healthcare from other providers	195	202	219	246	267
Hospital and Community Services	132	135	148	152	171
	399	412	446	481	523

The Health Board has a statutory obligation to remain within its resource limits (Revenue and Capital) on a three-year rolling measure. The Health Board managed to meet this requirement until the end of 2021/22. The target was not met in 2025/26. A summary of the Health Boards performance against the Revenue and Capital Resource Limits for the last 5 financial years are as follows:

Revenue Resource Limit

Annual financial performance

	2021-22	2022-23	2023-24	2024-25	2025-26
	£000	£000	£000	£000	£000
Net operating costs for the year	383,021	395,697	429,823	464,384	501,121
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,355	1,609	1,859	1,833	1,227
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	0	0	0	0
Less unfunded revenue consequences of bringing RoU Leases onto SoFP	0	0	0	0	0
Total operating expenses	384,376	397,306	431,682	466,217	505,348
Revenue Resource Allocation	384,456	390,304	419,699	450,464	472,073
Under /(over) spend against Allocation	80	(7,002)	(11,983)	(15,753)	(33,275)

The Health Board did not remain within its Revenue Resource limit in 2022/23, 2023/24, 2024/25 and 2025/26.

Capital Resource Limit

Annual financial performance

	2021-22	2022-23	2023-24	2024-25	2025-26
	£000	£000	£000	£000	£000
Gross capital expenditure	15,926	13,211	6,650	14,608	9,383
Add: Losses on disposal of donated assets	0	0	0	0	0
Less NBV of property, plant and equipment and intangible assets disposed	0	0	0	0	0
Less capital grants received	0	0	0	0	0
Less donations received	0	(527)	(195)	(141)	(614)
Less initial recognition of RoU Asset Dilapidations	0	0	0	0	0
Add: recognition of RoU Assets Dilapidations on crystallisation	0	0	0	0	0
Charge against Capital Resource Allocation	15,926	12,684	6,455	14,467	8,769
Capital Resource Allocation	15,993	12,752	6,481	14,517	8,844
(Over) / Underspend against Capital Resource Allocation	67	68	26	50	75

The Health Board has remained within its Capital Resource limit for the last five financial years.

An analysis of the annual assets and liabilities at 31 March for each of the last five financial years of the Health Board is included below:

Statement of Financial Position

	2021-22		2022-23		2023-24		2024-25		2025-26
	£000		£000		£000		£000		£000
<u>Non Current Assets</u> - Property Plant and Equipment	93,331		103,185		100,138		109,189		109,628
<u>Non Current Assets</u> - Right of Use Assets	0		1,670		1,063		1,515		1,427
Intangible Assets	0		0		0		154		227
<u>Non Current Assets</u> - Trade and Other Receivables	16,085		20		32		196		79
Current Assets - Inventories	143		147		211		197		175
Current Assets - Trade and Other Receivables	11,959		18,134		10,317		10,991		9,021
Current Assets - Cash and Cash Equivalents	2,658		1,268		215		629		846
Total assets	124,176		124,424		111,976		122,871		121,403

Current Liabilities - Trade and other payables	(59,256)		(49,845)		(47,113)		(50,135)		(46,991)
Current Liabilities - Provisions	(1,301)		(14,980)		(3,921)		(3,803)		(2,898)
<u>Non Current Liabilities</u> - Trade and other payables	0		(508)		(267)		(720)		(587)
<u>Non Current Liabilities</u> - Provisions	(17,085)		(862)		(576)		(803)		(645)
Total Liabilities	(77,642)		(66,195)		(51,877)		(55,461)		(51,121)
Total assets employed	46,534		58,229		60,099		67,410		70,282
Financed by :									
Taxpayers' equity									
General Fund	2,153		11,604		10,514		16,781		23,208
Revaluation reserve	44,381		46,625		49,585		50,629		47,074
Total taxpayers' equity	46,534		58,229		60,099		67,410		70,282

Non-financial information

Information relating to the following matters can be found in the Accountability Report :-

- social matters respect for human rights (p157)
- diversity (p149)
- anti-corruption (p81 and 154)

- anti-bribery matters (p81 and 154)

Quality and Engagement

The Health Board takes a whole system approach to quality, encompassing the six domains in the Duty of Quality - Safe, Timely, Effective, Efficient, Equitable, Person-centred care.

These are underpinned by Information, Learning, Improvement and Research, Leadership, Workforce and Culture.



During 2025-26, the focus has been on developing and rolling out a total Quality Management System, ensuring that Quality Planning, Quality Control and Quality Improvement are fundamental. This has included maturing the Integrated Quality and Performance Framework and internal escalation framework. This approach has been clinically led, with service ownership and Executive oversight, to promote learning and improvement in a culture of psychological safety. It has been successful in targeting support in Mental Health and Neurodevelopment services, to enable those services to make measurable positive impacts in patient experience, access and performance.

An Incident Management Framework, Infection Prevention and Control and Antimicrobial Stewardship to reduce Healthcare Acquired Infection are embedded to support a responsive and transparent approach. There have been demonstrable improvements as reported in 'Integrated Quality, Performance and Delivery' sessions with Welsh Government colleagues, in timely management, through routine reporting and commitment to a learning culture.

The Health Board is a listening organisation whether that is through formal routes, other external reviews or feedback from service users and communities. This can include formal concerns or complaints where timely responses are fundamental. There is a clear line of sight in continuous engagement with communities, from the 10,000 voices which shaped the shared long term Health and Care Strategy, to consultation on temporary service changes, and broader conversations about transformation including the North Powys Wellbeing Programme and the Better Together portfolio. Continuous feedback is also gathered across Regional Partnership Board and Public Service Board partners, Llais and others, to inform insights.

The Annual Quality Report will be published after this Annual Report in June 2026 and will be available on the Health Board website.

Welsh Language Regulations

Information on the Health Board's compliance with:

- The Welsh Language Standards (No. 7) Regulations 2018
- The Welsh Language Standards (No. 8) Regulations 2022

will be included within the Organisation's Welsh Language Standards Annual Report 2025-26 which is due for completion June 2026 and will be available at:- [Welsh Language - Powys Teaching Health Board](#)

Sustainability Report 2025-26

Task Force on Climate-related Financial Disclosure (TCFD)

The Health Board (PTHB) has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. PTHB considers climate to be a principal risk, and has therefore complied with the TCFD recommendations and recommendations disclosures around:

- Governance - recommended disclosures (a) and (b)
- Metrics and Targets - recommended disclosures (a) to (c)

This is in line with the Welsh Government's TCFD-aligned disclosure implementation timetable for Phase 1. PTHB plans to provide recommended disclosures for Strategy and Risk Management in future reporting periods in line with the Welsh Government's implementation timetable.

Delivery Planning

The Health Board remains dedicated to sustainability as a core organisational focus. The environmental agenda is explicitly highlighted as a Strategic Priority within the Integrated Plan, reinforcing the Health Board's commitment to embedding sustainability across its operations and long-term goals. This proactive approach ensures that environmental considerations remain central to decision-making throughout the organisation.

Enhancing workplace environments to promote comfort and well-being is a key focus, alongside supporting workforce transitions to low-carbon solutions. Effective green-space management and biodiversity initiatives continue to play an important role, not only in environmental sustainability but also in advancing social and green-prescribing practices that support the delivery of care. These efforts contribute to the wider vision of fostering healthier, more sustainable and engaging spaces for staff and for the communities served by the Health Board.

During 2025-26, PTHB achieved recertification to the ISO 14001:2015 environmental management standard for the seventh consecutive year, demonstrating a sustained cycle of improvement and a strong commitment to environmental management and biodiversity enhancement.

Carbon Reporting and Decarbonisation

Each NHS organisation submits Decarbonisation Action Plans (DAPs) to the Welsh Government, outlining their strategies for meeting national commitments while driving locally led initiatives. These plans are integral to supporting the implementation of the NHS Wales Decarbonisation Strategic Delivery Plan and ensuring alignment with broader environmental objectives. The Welsh Government's refreshed NHS Wales Decarbonisation Strategic Delivery Plan sets a clearer and more practical framework for achieving Net Zero, replacing the previous percentage-reduction targets with specific key performance indicators to track measurable progress across areas such as energy efficiency, renewable generation and sustainable travel.

Aligned with the public sector commitment to achieving Net Zero by 2030, PTHB provides annual reports on quantitative carbon emissions. Total Scope 1, Scope 2 and Scope 3 emissions for 2024-25 were 42,579.200 tCO₂e, representing a 12.5% increase from 2023-24 and continuing the steady increase from the baseline year of 2018-19 (20,028 tCO₂e).

The increase is predominantly due to a 14% rise in Scope 3 emissions. This reflects the limitations of the current spend-based calculation methodology, which introduces significant uncertainty into the data. NHS Wales Shared Services Partnership is progressing improvements to Scope 3 quantification to support a transition from Tier 1 reporting to Tier 3 reporting.

A major £4.2M capital investment into energy conservation measures (Re:Fit) was completed in 2025, which is guaranteed to provide a step-change in scope 1 & scope 2 emissions and make a large impact on operational carbon for the Health Board. The improvements will be available for reporting in the next reporting period.

Table 1: Summary of carbon emissions

	Units of tCO ₂ e			
Categories	Scope 1	Scope 2	Scope 3	Total
Buildings & Stationary assets	2,554.332	727.812	626.666	3,906.810
Transport	196.549	0	115.185	311.734
Waste	0	0	42.167	42.167
Land based emissions	0	0	-36.529	-36.529
Supply chain	0	0	38,355.018	38,355.018
	Total			42,579.200

The Health Board has maintained its commitment to the Decarbonisation Strategic Delivery Plan through various transformative capital programmes, including a scalable pilot installation of a nano-particle fluid offering up to 30% savings, improvements to Building Management Systems, and implementation of an AI-generated energy-monitoring system providing real-time analysis of energy usage and identifying poor-performing premises.

The new Electronic Prescribing and Medicines Administration (ePMA) system is also expected to reduce waste medicines and paper waste,

improving efficiency and contributing positively to Scope 3 supply-chain emissions.

Low-carbon travel efforts continue to progress, with new electric vehicle charging infrastructure now installed at Bronllys and Ystradgynlais Hospitals, and further expansion underway at Knighton, Llanidloes and Welshpool Hospitals. This maintains strong momentum in supporting the fleet transition to low- and zero-emission vehicles.

Climate Adaptation

In line with governmental guidance and HM Treasury sustainability reporting expectations, the Health Board has developed its first Climate Adaptation Assessment and Plan (2026–2030) to strengthen organisational resilience to the current and future impacts of climate change.

The Plan is supported by a comprehensive Climate Risk Register, developed collaboratively with other NHS Wales organisations and aligned with the UK Climate Change Risk Assessment. This identifies and prioritises climate-related risks to estates, infrastructure, services, workforce and supply chains, with clear ownership and governance arrangements embedded within existing assurance processes.

During 2025-26, the Health Board has continued to implement practical adaptation measures, including targeted investment to strengthen flood resilience at vulnerable sites, protect critical infrastructure, and reduce the risk of service disruption during extreme weather events. These measures are being integrated alongside routine estates maintenance, capital programmes and emergency preparedness arrangements.

Climate adaptation has also been embedded through service-level engagement and cross-organisational training, with structured workshops delivered across key departments to build awareness, capability and shared understanding of climate risks and resilience planning. This supports the effective use of evidence in decision-making and strengthens the Health Board's preparedness across both operational and strategic functions.

The Climate Adaptation Plan provides a forward-looking framework that will be kept under regular review, ensuring that adaptation continues to be integrated into capital planning, project development and service delivery as climate risks evolve.

Biodiversity

Under section 6 of the Environment (Wales) Act 2016, public authorities have a duty to maintain and enhance biodiversity and promote the resilience of ecosystems. In compliance with this duty, PTHB maintains a Biodiversity Action Plan as part of its ISO 14001:2015-accredited environmental management system, ensuring robust and transparent environmental governance across the organisation.

The Health Board's efforts to restore and enhance habitats across its estate have continued to gain external recognition, with Bronllys Hospital awarded Green Flag status in 2025. Wildflower habitat creation has progressed further, with additional areas being prepared for enhancement during 2026-27.

As part of the development of a Climate Risk Assessment and Climate Adaptation Plan in 2025-26, the Health Board's green spaces were recognised for their significant ecosystem-service value, including flood alleviation, carbon sequestration and mental-health benefits. These spaces will therefore continue to be protected and developed.

Looking ahead, PTHB plans to implement practical conservation initiatives informed by biodiversity surveys, including the creation of stepping-stone habitats to enhance ecological connectivity. Staff engagement and education will be strengthened to encourage conservation practices within and beyond the workplace. Collaboration with partner organisations will also remain a priority, helping to amplify the impact of biodiversity efforts and deliver a comprehensive approach to ecological enhancement across the estate.

The organisation's biodiversity plan is available at:-
<https://pthb.nhs.wales/about-us/key-documents/environment-and-sustainability/biodiversity-action-plan-2025-31/>

SECTION TWO: THE ACCOUNTABILITY REPORT



GIG
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WALES

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board

THE ACCOUNTABILITY REPORT 2025/26



SIGNED BY:

H Thomas .

DATE: 24.06.2026

HAYLEY THOMAS
[CHIEF EXECUTIVE]

INTRODUCTION TO THE ACCOUNTABILITY REPORT

Powys Teaching Health Board is required, as are all Welsh NHS bodies, to publish an Annual Report and Accounts. Copies of previous Annual Reports are accessible from the Health Board's [website](#).

A key part of the Annual Report is the Accountability Report. The requirements of the Accountability Report are based on the matters required to be dealt with in a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and Schedule 8 of SI 2008 No 410.

The requirements of the Companies Act 2006 have been adapted for the public sector context and only need to be followed by entities which are not companies, to the extent that they are incorporated into the Treasury's Government Financial Reporting Manual (FReM) and set out in the 2025/2026 Manual for Accounts for NHS Wales, issued by the Welsh Government.

The Accountability Report is required to have three sections:

- A Corporate Governance Report
- A Remuneration and Staff Report
- A Senedd Cymru/Welsh Parliamentary Accountability and Audit Report.

An overview of the content of these three sections is provided below:

The Corporate Governance Report

This section of the Accountability Report provides an overview of the governance arrangements and structures that were in place across Powys Teaching Health Board during 2025/2026. It also explains how these governance arrangements supported the achievement of the Health Board's objectives.

The Director of Corporate Governance / Board Secretary has compiled the report, the main document being the Annual Governance Statement. This section of the report has been informed by a review of the work taken forward by the Board and its Committees over the last 12 months and has had input from the Chief Executive, as Accountable Officer, Board Members and the Audit, Risk and Assurance Committee.

In line with requirements set out in the Companies Act 2006, the Corporate Governance report includes:

- The Directors' Report;

- A Statement of Accountable Officer Responsibilities;
- The Annual Governance Statement.

Remuneration and Staff Report

This report contains information about the remuneration of senior management, fair pay ratios and sickness absence rates and has been compiled by the Executive Director of People and Culture, the Executive Director of Finance, Capital and Support Services and the Director of Corporate Governance / Board Secretary.

Senedd Cymru/Welsh Parliamentary Accountability and Audit Report

This report contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury guidance, material remote contingent liabilities, and the audit certificate and Auditor General for Wales Report.

PART A: CORPORATE GOVERNANCE REPORT

This section of the Accountability Report provides an overview of the governance arrangements and structures that were in place across Powys Teaching Health Board during 2025/2026. It includes:

- A Director's Report
- A Statement of Accountable Officer Responsibilities
- A Statement of Executive Directors' Responsibilities in Respect of the Accounts
- The Annual Governance Statement

1. THE DIRECTOR'S REPORT 2025/2026

THE COMPOSITION OF THE BOARD AND MEMBERSHIP

Part 2 of The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 sets out the required membership of the Boards of Local Health Boards, the appointment and eligibility requirements of members, the term of office of non-officer members and associate members. In line with these Regulations the Board of Powys Teaching Health Board comprises:

- a chair;
- a vice-chair;
- officer members; and
- non-officer members.

The members of the Board are collectively known as “the Board” or “Board members”; the officer and non-officer members (which includes the Chair) are referred to as Executive Directors and Independent Members respectively. All members have full voting rights. In addition, the Director of Corporate Governance / Board Secretary position is a non-voting Board level post.

Additionally, Welsh Ministers may appoint up to three associate members. Associate members have no voting rights.

Before an individual may be appointed as a member or associate 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 Government’s legislation website: <http://www.legislation.gov.uk/wsi/2009/779/contents/made>

VOTING MEMBERS OF THE BOARD DURING 2025-26

During 2025-26, the following individuals were voting members of the Board of Powys Teaching Health Board:

Independent Members (IM)		
Carl Cooper	Chair	Full Year
Ronnie Alexander	IM (General)	Full Year

Rhiannon Beaumont-Wood	Vice-Chair	From 09/02/2026
Steve Elliot	IM (Finance)	Full Year
Michael Giannasi	IM (General)	From 01/10/2025
Rhobert Lewis	IM (General)	Full Year
Jennifer Owen Adams	IM (Third Sector)	Full Year
Cathie Poynton	IM (Trade Union)	Full Year
Ian Thomas	IM (General)	Full Year
Chris Walsh	IM (Local Authority)	Full Year
Kirsty Williams	Vice-Chair	To 30/09/2025
Simon Wright	IM (University)	Full Year
Direct Appointment		
Michael Giannasi	IM (to support vacant Capital & Estates role)	To 30/09/2025
Executive Directors		
Hayley Thomas	Chief Executive	Full Year
Pete Hopgood	Executive Director of Finance, Capital and Support Services Deputy Chief Executive	Full Year
Mererid Bowley	Executive Director of Public Health	Full Year
Paul Hooton ¹	Executive Director of Nursing, Quality, Women and Family Health	From 06/10/2025

Elaine Lorton	Executive Director of Primary, Community Care and Mental Health	Full Year
Nicola Johnson	Executive Director of Planning, Performance and Commissioning	Full Year
Claire Madsen	Executive Director of Allied Health Professions, Health Science and Digital	Full Year
Claire Roche ¹	Executive Director of Nursing, Quality, Women and Family Health	To 05/10/2025
Debra Wood-Lawson	Executive Director of People and Culture	To 15/12/2025
Debra Wood-Lawson	Executive Director of People, Culture and Transformation	From 16/12/2025
Kate Wright	Executive Medical Director	Full Year

Footnotes:

1 – there was a period of handover between Claire Roche and Paul Hooton. Paul Hooton started on 29/09/2025 and Claire Roche left on 10/10/2025. Claire Roche handed over Board member responsibility to Paul Hooton as of 06/10/2025.

During 2025/26, vacancies in the Board consisted of:

Independent Members	Executive Director
Vice-Chair from 01/10/2025 to 08/02/2026	None

Whilst a small number of roles on the Board were vacant for short periods, including that of Vice-Chair, responsibilities were covered by other Board members to ensure continuity of business and effective governance arrangements. Independent Members attended Board Committee meetings where necessary to ensure meetings remained quorate and the Board's duties could be discharged.

NON-VOTING MEMBERS OF THE BOARD DURING 2025/2026

Helen Bushell is the Director of Corporate Governance / Board Secretary (a member of the Executive team and non-voting attendee at Board meetings).

Nina Davies, Director of Social Services, Powys County Council was appointed, by the Minister for Health and Social Services, to the role of Associate Member (non-voting member of the Board).

Further details in relation to role and composition of the Board can be found within the Annual Governance Statement. The Annual Governance Statement also contains further information in respect of the Board and Committee activity.

AUDIT, RISK AND ASSURANCE COMMITTEE

During 2025/26, the following individuals were members of the Audit, Risk and Assurance Committee:

Independent Members (IM)		
Steve Elliot	Committee Chair – IM Finance	Full Year
Ronnie Alexander	IM (General)	Full Year
Michael Giannasi	IM (General)	From 09/06/2025
Rhobert Lewis	IM (General)	From 09/06/2025
Chris Walsh	IM (Local Authority)	To 08/06/2025
Kirsty Williams	PTHB Vice-Chair	From 09/06/2025 to 30/09/2025
Ian Thomas	IM (General)	From 09/06/2025

Executive Team Officers by Attendance Only		
Hayley Thomas	Chief Executive	Full Year
Pete Hopgood	Executive Director of Finance, Capital and Support Services	Full Year
Helen Bushell	Director of Corporate Governance / Board Secretary	Full Year

DECLARATION OF INTERESTS

Details of company Directorships and other significant interests held by members and attendees 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](#), or a hard copy can be obtained from the Director of Corporate Governance / Board Secretary.

PERSONAL DATA RELATED INCIDENTS

Information on personal data related incidents formally reported to the Information Commissioner's office and "serious untoward incidents" involving data loss or confidentiality breaches are detailed within the Annual Governance Statement on page 147.

ENVIRONMENTAL, SOCIAL AND COMMUNITY ISSUES

Environmental, social and community considerations remain central to the planning and day-to-day operations of the Health Board, and throughout 2025-26 the Health Board has continued to reduce environmental impact, strengthen social value and support community wellbeing across Powys. This work contributes to the Welsh public sector ambition for Net Zero by 2030 while ensuring that progress remains fair, inclusive and beneficial to the people we serve.

Environmental progress across the estate has included full transition to LED lighting under the Re:Fit programme and continued expansion of solar generation at sites such as Bronllys, Newtown and Ystradgynlais. These improvements reduce carbon emissions and long-term costs while strengthening resilience for rural communities that rely heavily on local healthcare facilities. Climate adaptation work has commenced, including securing critical infrastructure and major drainage improvements.

Social value continues to be strengthened through improved access to services, most notably the opening of the new Mental Health Community Hub (Richardson Centre) in Llandrindod Wells brings a range of support services together in a single, modern facility, reducing long travel

distances and improving the quality of therapeutic spaces available to individuals with mental health needs.

Community wellbeing has been strengthened through nature-based and place-based programmes designed to address isolation, poor mental health and limited access to outdoor activity. The Awyr Iach outdoor health service in Machynlleth (developed with local partners) now offers free activities such as walking, woodland skills and mindfulness, helping people build social connection and confidence. At Bronllys Hospital, partnership work with Flora Cultura continues to provide a therapeutic horticulture pathway that supports recovery, skill development and social interaction for people experiencing mental health challenges.

Support for equitable access has also extended to travel infrastructure, with new public electric vehicle charging points installed at Bronllys and Ystradgynlais and further sites coming online, helping ensure that rural communities are not disadvantaged in the transition to low-carbon mobility.

The Health Board remains committed to promoting a sustainable, fair and healthy Powys, continuing to embed environmental responsibility, social value and community wellbeing into future planning and decision-making so that environmental improvements proceed hand-in-hand with work to tackle social challenges and support resilient communities.

STATEMENT OF PUBLIC SECTOR INFORMATION HOLDERS

As the Accountable Officer of Powys Teaching Health Board and in line with the disclosure requirements set out by the Welsh Government and HM Treasury, I confirm that the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance during the year.

SIGNED BY:

H Thomas

DATE: 24.06.2026

**HAYLEY THOMAS
[CHIEF EXECUTIVE]**

2. STATEMENT OF ACCOUNTABLE OFFICER RESPONSIBILITIES: 2025/2026

STATEMENT OF MY CHIEF EXECUTIVE RESPONSIBILITIES AS ACCOUNTABLE OFFICER OF POWYS TEACHING HEALTH BOARD

The Welsh Ministers have directed that the Chief Executive, should be the Accountable Officer to the Powys Teaching 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.

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

I also confirm that:

- As far as I am aware, there is no relevant audit information of which Powys Teaching Health Board's auditors are unaware. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Powys Teaching Health Board's auditors are aware of that information;
- Powys Teaching Health Board's Annual Report and Accounts as a whole is fair, balanced, and understandable. I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is 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.

SIGNED BY:

H Thomas

DATE: 26.06.2026

**HAYLEY THOMAS
[CHIEF EXECUTIVE]**

3. STATEMENT OF EXECUTIVE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2025/2026

STATEMENT OF EXECUTIVE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2025/2026

The Executive Directors of Powys Teaching Health Board 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 Health Board and of the income and expenditure of the Health Board for that period.

In preparing those accounts the Executive Directors are required to:

- apply accounting principles on a consistent basis, that are laid down by the Welsh Ministers with the approval of the Treasury
- make judgements and estimates that are responsible and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

On behalf of the Executive Directors of Powys Teaching Health Board we confirm:

- that we have complied with the above requirements in preparing the 2025/2026 accounts: and
- that we are clear of our responsibilities in relation to keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the authority, and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned direction by the Welsh Ministers.

By order of the Board

SIGNED BY:  **DATE: 24 JUNE 2026**
CARL COOPER **[CHAIR]**

SIGNED BY:  **DATE: 24 JUNE 2026**
HAYLEY THOMAS [CHIEF EXECUTIVE]

SIGNED BY:  **DATE: 24 JUNE 2026**
PETE HOPGOOD [DEPUTY CHIEF EXECUTIVE / EXECUTIVE DIRECTOR OF FINANCE, CAPITAL AND SUPPORT SERVICES]

4. ANNUAL GOVERNANCE STATEMENT 2025/26

SCOPE OF RESPONSIBILITY

The Board is accountable for Governance, Risk Management, and Internal Control. As Chief Executive of the Health 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. Additional information is provided in the Governance Statement where necessary. However, the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

I am held to account for my performance by the Chair of the Board and the Chief Executive of NHS Wales / Director General of Welsh Government, acting as the Accountable Officer for the NHS in Wales. I have formal performance meetings with both the Chair and the Chief Executive of NHS Wales. Further, the Executive Team of the Health Board meet with the senior leaders of the Department of Health and Social Services on a regular basis.

During 2025/2026, the Health Board and the NHS in Wales continued to face increasing economic and financial challenges. Financial challenges were particularly difficult both locally and across the wider public sector in Wales and the UK. The Executive Committee oversaw internal 'local' escalation arrangements for children's neurodiversity services (ongoing since October 2024).

Outside formal meetings, Board Members remained fully informed receiving briefings at Board Development and Board briefing sessions. Further detail on maintaining good governance during 2025/26 is provided within this Annual Governance Statement.

ESCALATION STATUS

In common with all Health Boards across Wales, the Health Board has faced extreme financial challenges. Although the Health Board had a Board supported Plan, it has not been possible to comply with requirements to

balance the budget and therefore the plan has not been approved by Welsh Government. The Health Board has worked closely with Welsh Government to identify an appropriate way forward matching fiscal prudence against meeting Ministerial priorities. Welsh Government moved the Health Board from Enhanced Monitoring (Level 3) in which it had been placed in September 2023 to Level 4 (previously known as Targeted Intervention) for finance, strategy and planning in November 2024, where it remains. The NHS Wales Escalation and Intervention Arrangements can be seen in more detail here [NHS Wales escalation and intervention arrangements | GOV.WALES](#)

During 2025/26, the Health Board, with the support of Welsh Government, commissioned an independent report to help support and guide our actions into 2026/27 and beyond. The report focussed on aspects of financial management, continuing health care, Commissioning and Contracting. The executive summary is available within the March 2026 Board papers here - [25 March 2026 - Powys Teaching Health Board](#)

The Health Board remains at Level 1 (previously known as routine monitoring) for all other domains of the NHS Wales Escalation and Intervention Framework.

FUNCTIONS HOSTED BY POWYS TEACHING HEALTH BOARD

In compliance with requests made by the Welsh Ministers, the Health Board hosts the following function:

- **Health and Care Research Wales (HCRW):** HCRW is a national, multi-faceted, virtual organisation funded and overseen by the Welsh Government's Division for Social Care and Health Research. It provides an infrastructure to support and increase capacity in research and development, runs a number of funding schemes, and manages the NHS research and development funding allocation in Wales. Its aim is to generate and support excellent research to improve the health and care of people in Wales across a range of conditions and settings.

The Board of PTHB is not responsible for the delivery of the objectives of HCRW, or their day-to-day management. However, it is responsible for ensuring that the functions are staffed using appropriate recruitment mechanisms, and that PTHB's Standing Orders, Standing Financial Instructions and Workforce and Organisational Development policies are complied with.

The Health Board has nominated its Executive Director of People, Culture and Transformation as the Lead Executive Director for these functions. Key

officers from Finance, IT, Governance and Workforce teams have been identified to provide support to the function, as appropriate.

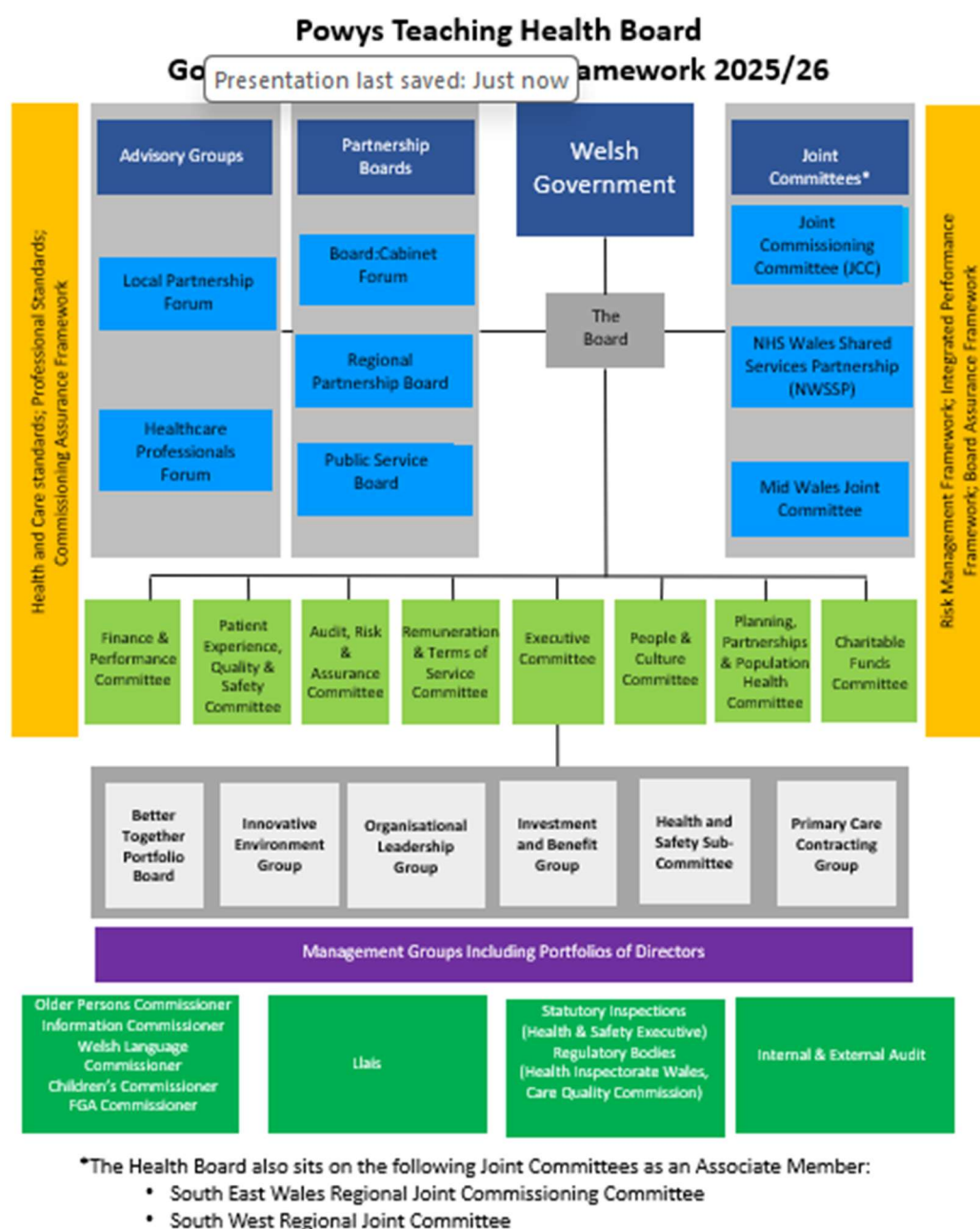
OUR GOVERNANCE AND ASSURANCE FRAMEWORKS

Powys Teaching Health Board has a clear purpose from which its strategic aims and objectives have been developed. Our vision is to enable a 'Healthy Caring Powys'. The Board is accountable for setting the organisation's strategic direction, ensuring that effective governance and risk management arrangements are in place and holding Executive Directors to account for the effective delivery of its Annual Plan and Annual Delivery Plan. The Annual Plan was approved by Board on 26 March 2025. A copy of our Integrated Plan for 2024 – 2029 and Annual Plan 2025 - 2026 can be found on the Health Board [website](#).

The Board keeps its governance and assurance frameworks under review. Current arrangements in place since July 2021 were reviewed in May 2025 with the following changes:

- Delivery and Performance Committee was renamed Finance and Performance Committee
- Workforce and Culture Committee was renamed People and Culture Committee.

FIGURE 1 Governance and Assurance Framework



THE BOARD

The Board has been constituted to comply with the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009. The Board functions as a corporate decision-making body, Executive Directors and Independent Members being full and equal members and sharing corporate responsibility for all the decisions of the Board. Details of those who sit on the Board are published on the Health Board [website](#). Further information is also provided within the Directors' Report.

The Board sits at the top of the organisation's governance and assurance systems. Its principal role is to exercise effective leadership, provide strategic direction and control. The Board is accountable for governance and internal control in the organisation, and I, as the Chief Executive and Accountable Officer, am responsible for maintaining appropriate governance structures and procedures. In summary, the Board:

- sets the tone and culture of the organisation;
- sets the strategic direction of the organisation within the overall policies and priorities of the Welsh Government and the NHS in Wales;
- establishes and maintains high standards of Corporate Governance;
- sets the risk appetite for the organisation and provides oversight of strategic risks;
- ensures the delivery of the aims and objectives of the organisation through effective challenge and scrutiny of performance across all areas of responsibility;
- monitors progress against the delivery of strategic and annual objectives; and
- ensures effective financial stewardship by effective administration and economic use of resources.

STANDARDS OF BEHAVIOUR

The Welsh Government's *Citizen-Centred Governance Principles* apply to all the public bodies in Wales. These principles integrate all aspects of governance and embody the values and standards of behaviour expected at all levels of public services in Wales.

The Board is strongly committed to the Health Board being value-driven, rooted in 'Nolan' principles and high standards of public and behaviour including openness, customer service standards, diversity and engaged leadership. The Board has in place a Standards of Behaviour Policy, which sets out the Board's expectations and provides guidance so that individuals are supported in delivering that requirement.

The Standards of Behaviour Policy re-states and builds on the provisions of Section 7, Values and Standards of Behaviour, of the Health Board's Standing Orders. It re-emphasises the commitment of the Health Board to ensure that it operates to the highest standards, the roles, and responsibilities of those employed by the Health Board, and the arrangements for ensuring that declarations of interests, gifts, hospitality, and sponsorship can be made. The policy also aims to capture public acceptability of behaviours of those working in the public sector in order that the Health Board can be seen to have exemplary practice in this regard.

Details of the Board's Standards of Behaviour Policy incorporating Declarations of Interest, Gifts, Hospitality and Sponsorship, is available on the Health Board's [website](#).

STANDING ORDERS AND SCHEME OF RESERVATION AND DELEGATION

The Health Board's governance and assurance arrangements have been aligned to the requirements set out in the Welsh Government's Governance e-manual and the Citizen Centred Governance Principles. Care has been taken to ensure that governance arrangements also reflect the requirements set out in HM Treasury's 'Corporate Governance in Central Government Departments: Code of Good Practice 2017'.

The Board has approved Standing Orders for the regulation of proceedings and business. They are designed to translate the statutory requirements set out in the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day-to-day operating practice.

Together with the adoption of a scheme of matters reserved for the Board, a detailed scheme of delegation to officers and Standing Financial Instructions, these documents provide the framework for the conduct of the Health Board's business and define its ways of working.

The Standing Orders in place during 2025/26 were adopted by the Board on 22 May 2024. Further minor amendments were made during the year. The Standing Orders are available on the Health Board's [website](#).

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. This enables the day-to-day business of the Health Board to be carried out effectively, and in a manner that secures the achievement of the organisation's aims and objectives. The Committee structure is outlined in the following section, and the Terms of Reference are available on the Health Board's [website](#).

COMMITTEES OF THE BOARD

Section 3 of Powys Teaching Health Board's Standing Orders provides that *"The Board may and, where directed by the Welsh Government 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."*

In line with these requirements the Board has established a standing

Committee structure, which it has determined best meets the needs of the Health Board, while taking account of any regulatory or Welsh Government requirements. Each Committee is chaired by an Independent Member of the Board, with the exception of the Executive Committee which is chaired by the Chief Executive as Accountable Officer and is constituted to comply with Welsh Government's Good Practice Guide – Effective Board Committees. All Committees regularly review their Terms of Reference and Work Plans to support the Board's business. 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 the Health Board from meeting its vision, aims and objectives.

As part of the regular review of Board arrangements changes to the Committee structure were agreed at Board on 28 July 2021 and Terms of Reference for each Committee were agreed at Board on 29 September 2021. Since then, minor changes have been made to the Committees Terms of Reference which are available on the Health Board's [website](#).

The following Committee structure is in place:

- Audit, Risk and Assurance Committee;
- Charitable Funds Committee;
- Finance and Performance Committee (previously Delivery and Performance Committee, renamed at Board in May 2025);
- Executive Committee;
- Patient Experience, Quality and Safety Committee;
- People and Culture Committee (previously Workforce and Culture Committee, renamed at Board in May 2025).
- Planning, Partnerships and Population Health Committee; and
- Remuneration and Terms of Service Committee.

Agendas for each of the Committees (except Executive Committee and the Remuneration and Terms of Service Committee) can be found on the Health Board's [website](#). The agenda and papers for those items to be considered in open session are included in the agenda packs.

The Chair of each Committee reports the business of each meeting to the Board on the committee's activities and any matters of concern or escalation to be brought to the attention of the Board, through a Chair's report. This contributes to the Board's assessment of risk, level of assurance and scrutiny against the delivery of objectives. Annual reports are prepared for individual committees after year-end.

The Board has appropriate and proportionate arrangements in place to

evaluate the effectiveness of the Board and its Committees on an annual basis, providing assurance that governance and assurance arrangements remain fit for purpose. Committee effectiveness reviews operate on a two-year cycle, with a detailed qualitative review undertaken in 2024/25 and a facilitated review completed in March 2026, focusing on composition, functioning, assurance, leadership and culture. The outcomes and any agreed development actions will be reported in quarter 2 of 2026/27. The Board also undertakes an annual questionnaire-based effectiveness review; the 2025/26 assessment was issued in April 2026 and the findings, including any resultant development actions, will be reported in quarter 2 of 2026/27.

Decision logs for Board and committees are maintained and used to inform the summary of Board and committee business. Decisions are recorded within minutes which are reported at the following Board or committee meeting.

ACCESS TO BOARD AND COMMITTEE MEETINGS

With the limitations on public gatherings introduced early in the pandemic the Health Board moved to holding Board and Committee meetings virtually, via electronic means. This is not in accordance with the intended spirit of the Public Bodies (Admissions to Meetings) Act 1960 whereby the organisation is required to hold its meetings in public – this was previously interpreted to mean ‘in person’ and not virtually. In-public Board meetings have continued to be held online and livestreamed, giving the public access to view the meeting in real time. Members of the public can also view Board Committee meetings by contacting the Director of Corporate Governance / Board Secretary to request arrangements be made for an opportunity to observe Committee meetings which are not livestreamed.

The Health Board is committed to openness and transparency and conducts as much of its Board and Committee business as possible in a session that members of the public are normally welcome to attend and observe.

Members of the public are also invited to submit any questions to the Board to each of the scheduled in-public Board meetings, for which there are generally six in the year.

The following notice is included in each Board agenda:

Powys Teaching Health Board is committed to openness and transparency and conducts as much of its business as possible in a session that members of the public are normally welcome to attend and observe. At present Board meetings are held virtually and livestreamed. Members of the public are able to view the livestream or view the uploaded copy of the meeting on demand.

The following notice is included in each Committee agenda:

Powys Teaching Health Board is committed to openness and transparency and conducts as much of its business as possible in a session that members of the public are normally welcome to attend and observe.

Meetings are currently held virtually, should you wish to observe a virtual meeting of a committee, please contact the Director of Corporate Governance at PowysDirectorate.CorporateGovernance@wales.nhs.uk at least 24 hours in advance of the meeting in order that your request can be considered on an individual basis. Papers for the meeting are made available on the website in advance, and a copy of the minutes are uploaded to the website once agreed at the following meeting.

Whilst Committee meetings are not public meetings, questions are invited and welcome from members of the public – please submit these at least 48 hours in advance of the meeting so a response can either be incorporated into the Board meeting or be provided directly to the requester. Please submit any questions to

PowysDirectorate.CorporateGovernance@wales.nhs.uk.

All Board meetings are livestreamed, and the recording is also available to view after the event.

The opportunity for public questions in advance to be asked at Board was exercised as appropriate in 2025/26. No public questions were received for meetings of the Board's committees.

The arrangements have continued in relation to Health Board committee meetings throughout the year. It is acknowledged that Standing Orders have not been fully complied with in terms of access to Board Committee meetings. However, the arrangements outlined above have been put in place to mitigate for this and are, in the Health Boards view, in the public interest.

Figures 2 below provide an overview of the role and responsibilities of the Board's Committees, as set out within respective Terms of Reference.

Figure 3 below provides an overview of Board and Committee meetings held during 2025/26.

Details of attendance at Board meetings can be found at Appendix 1 (p160).

FIGURE 2: ROLES AND RESPONSIBILITIES OF COMMITTEES OF THE BOARD FROM APRIL 2025 – MARCH 2026



FIGURE 3: BOARD AND COMMITTEE MEETINGS HELD DURING 2025/2026

Board/ Committee	Dates												Quorate?
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Board		21		30		24		26	16	28		25	Yes
Board In-Committee		21	25	30		24		26	16	28		25	Yes
Audit, Risk and Assurance (ARAC)		13	17	08			07			13 ¹		10	Yes
Charitable Funds (CFC)			16			15			01	15		16	Yes
Finance and Performance (F&P) (Previously Delivery and Performance to May 2025)		01 ¹	26 ¹			02	21		04		26 ¹		Yes
Patient Experience Quality and Safety (PEQS)	30 ¹			31 ¹			23				05 ¹		Yes
Planning, Partnerships and Population Health (PPPH)		19			14			20			03		Yes
Remuneration and Terms of Service (RaTS)		08		17					16			12	Yes
People and Culture (P&C) (Previously Workforce and Culture to May 2025)			03			29			09			05	Yes
Joint In-Committee meeting of F&P and PPPH												16	Yes

Executive Committee	04, 16, 23 & 30	07, 14 & 28	10, 11 & 24	09, 16 & 23	06, 15 & 20	09, 17 & 26	01, 15, 22 & 29	11, 12 & 19	03, 10 & 17	07, 14, 21 & 29	04, 11 & 18	04 & 18	Yes
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Key: 1 an In-Committee meeting was also held on this date

ITEMS CONSIDERED BY THE BOARD IN 2025/2026

During 2025/2026 the Board formally held:

- seven public meetings, all of which were livestreamed and which had recording uploaded after the meeting;
- eight In-Committee (private) meetings (seven following a public Board meeting, one standalone meeting);
- an Annual General Meeting;
- seven Chair's Actions;
- ten Board Briefings; and
- fourteen Board development sessions.

All meetings of the Board held in 2025/2026 were appropriately constituted with the required quorum.

Board Activity:

During the year, the Board considered a number of key issues and took action where appropriate, these are summarised below:

- General Dental Services Procurement at:
 - Crickhowell,
 - Knighton, and
 - Llandrindod Wells
- A request for Strategic Cash Support
- Silvercloud call off contract extension
- Digital Healthcare Record System Procurement
- Better Together – timetable revision

The Chair's Actions were taken in the interest of timely decision making and were reported into the next scheduled in-public Board meeting.

The Board considered the following items for:

Approval	Assurance	As Standing Items
• Minutes and action logs of all Board meetings • Annual Delivery Plan 2025/26 • Board Assurance Framework • Strategic Risk Register and Risk Appetite Statement • Integrated Quality and Performance Framework • Health and Safety Annual Report • Welsh Language Standards Annual Monitoring Report • Annual Report and Accounts 2024/25 • Temporary Service Changes • Equality Annual Monitoring Report 2024/25 • Strategic Commissioning Framework • Population Health Strategic Framework 2025-2035 • Planning Maturity Matrix self-assessment • Joint Commissioning Committee Individual Patient Funding Request Policy • North Powys Wellbeing Programme • Charitable Funds Annual Accounts and Report 2024/25 • Annual Plan 2026/27 • Capital Programme 2026/27 • Director of Corporate Governance / Board Secretary Reports	• Integrated Quality and Performance reports • Annual Plan delivery Performance reports • Financial reports • Risk management reports • Board Assurance Framework reports • Assurance Reports from Board Committees, Joint Committees, Partnerships and Advisory Groups • Escalation and intervention status • Confirmation Committee Effectiveness reviews had been undertaken • Better Together programme • Temporary Service Changes • Speaking up safely and raising concerns report • Regional Partnership Board Annual Report 2024/25 • Annual Duty of Quality Report 2024/25 • Nurse Staffing Levels (Wales) Act	• Experience Stories (patient and staff) • Report of Chair • Report of Vice Chair • Report of CEO • Report of the Director of Corporate Governance • Report of the Regional Director of Llais

○ Application of the Common Seal ○ Consent Agenda Protocol ○ In-Committee meeting protocol ○ Board and Committee Annual Work Programmes ○ Committee and Advisory Group Terms of Reference ○ Management of Policies and other Written Control Documents ○ Changes to Standing Orders and Standing Financial Instructions ○ Chair's Actions ○ Committee Membership 2025/26	2024/25 • Vaccination Programmes • Winter Planning/Resilience • Digital First Annual Plan • Committee Annual Reports • Partnership Governance Framework • Extension to Regional Partnership Board Health and Care Strategy to March 2029 • Primary Care Assurance and Governance report	
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The Board within In-Committee meetings approved the following items	The Board within In-Committee meetings considered the following items
• Covid-19 Public Inquiry update • Matters relating to the Annual Plan 2025/26 • Primary Care Out of Hours Contract procurement • Major Incident and Emergency Response Plan • Corporate Business Continuity Plan • Crickhowell General Dental Service procurement outcome • North Powys Wellbeing Programme	• Emergency Planning, Resilience and Response Annual Report 2024/25 • Remuneration and Terms of Services Annual Report 2024/25 • Chief Executive Briefing on: ○ Emergency Medical Retrieval and Transfer Service ○ Annual Plan 2025/26 ○ General Practice Sustainability

ITEMS CONSIDERED BY COMMITTEES OF THE BOARD

During 2025/26, Board Committees considered and scrutinised a range of reports and issues relevant to the matters delegated to them by the Board. Reports considered by the Committees included a range of internal audit reports, external audit reports and reports from other review and regulatory bodies, such as Healthcare Inspectorate Wales and the Health and Safety Executive.

As was the case in previous years, the Committees' consideration and analysis of such information has played a key role in my assessment of the effectiveness of internal controls, risk management arrangements and assurance mechanisms.

The Committees also considered and advised on areas of local and national strategic developments and new policy areas. Board Members are also involved in a range of other activities on behalf of the Board, such as Board Development sessions, attending partnership meetings, shadowing, and a range of other internal and external meetings.

Figure 4: Key Areas of Focus of Committees of the Board 2025-26

Note Committees also consider some confidential matters in private 'In-Committee' meetings.

Audit, Risk and Assurance Committee	▪ ratified approval of Single Tender Waivers and the associated Annual Report; ▪ received the Internal Audit Annual Report and Opinion; ▪ reviewed Standing Orders, Financial Instructions and Board Assurance Framework; ▪ approved the Annual Internal Audit Plan; ▪ received Internal and External Progress reports; ○ Primary Care GMS Unified Contract ○ Pharmacy Stores ○ Business Continuity Planning ○ Risk Management ○ Information Governance ○ Llandrindod Phase 2 ○ Partnership Governance ▪ received Internal and External Audit Reports and tracked implementation of audit recommendations; ○ Structured Assessment ○ Quality and Safety Governance ○ Contract Management ○ Mattress Final Report ○ Cancer Services Final Report
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	▪ received Counter Fraud updates and reports; ▪ tracked implementation of Welsh Health Circulars; ▪ kept under review the Health Board's arrangements for risk management and assurance; ▪ received and sought assurance on the accuracy of the Annual accounts and Annual accountability statement; ▪ received and sought assurance on the accuracy of organisations annual accounts reports (2024/25); ▪ sought assurance on the Standards of Behaviour policy and its mechanisms including; ○ received Annual Register of Interests; ○ Gifts and Hospitality ▪ sought assurance Post Payment verification; ▪ sought assurance on Records Management Improvement plans; ▪ approved the Audit Handbook; ▪ received and recommended the Risk Management Framework for Board approval;(08.07.25) ▪ received and sought assurance on the Annual Governance Programme; ▪ received and sought assurance on losses and special payments; ▪ received and sought assurance on the Clinical Audit Plan; ▪ received and sought assurance on the Digital first Quarterly Monitoring report; ▪ received the Standing Financial Instructions Executive Financial Delegations; and ▪ received and sought assurance on the Digital Strategic Framework Annual Report year two (2025/26).
Executive Committee	▪ provided advice to the Board in relation to the development of the Integrated Plan for 2025-2026 and Maturity Matrix; ▪ received and provided advice to the Board in relation to the identification and management of corporate risks; ▪ sought assurance on the Regional Partnership Board 2025-26 – Annual Delivery Plan including commitments of the plan in 2026-27 including the focus on exit planning. ▪ received and approved Vacancy Freeze management application; ▪ received and sought assurance in relation to limited and no assurance internal and external audit reports;

	▪ received various service-based business cases, service, and improvement plans, making decisions relevant to operational delivery of the Boards strategy and in-year plan; ▪ took forward actions arising from the Integrated Performance Report and performance managing the delivery of those action plans; ▪ Received the National Reportable Incident (NRI) update ▪ received and sought assurance on the Cross Border Closure and Evaluation Report; ▪ kept the operational effectiveness of policies and procedures under review; ▪ received a summary of the Ministerial Advisory Group performance and productivity recommendations – PTHB response; ▪ scrutinised key reports and strategies prior to their submission to other Committees of the Board and/or the Board to ensure their accuracy and quality; ▪ Supported the PTHB Commissioned Third Sector Services Review Framework; ▪ provided a strategic view of issues of concern ensuring co-ordination between Executive Directorates; ▪ provided advice to the Committees of the Board and/or the Board on matters related to quality, safety, planning, commissioning, service level agreements and change management initiatives; ▪ ensured staff are kept up to date on Health Board wide issues; ▪ received and sought assurance on the Better Together Portfolio; and ▪ received and sought assurance on the Financial Performance Reports ▪ sought assurance on the Update on Climate Response – Decarbonisation and Adaption ▪ received and sought assurance on the Discretionary Capital Pipeline Programme 2025-26 ▪ sought assurance on the Out of Hours (OOH) General Medical Services Mid-Year Performance 2025-26 ▪ sought assurance on the Community Pharmacy Annual Report 2025-26 ▪ Received and sought assurance on the Internal Audit Report – Digital systems uptake ▪ sought assurance on the Strategic Risk Register, Board Assurance Framework Dashboard (SRR, BAF)
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	▪ Recommended and approved the North Powys Wellbeing Programme and primary care proposal. ▪ sought assurance and noted the update on the Workforce Performance Report ▪ received the Public Sector Prompt Payment Performance ▪ received the Director of People and Culture Report ▪ received Theme one: Staff Health and Wellbeing ▪ received Theme three: Workforce sustainability and Transformation ▪ acted as the forum in which Executive Directors and senior managers can formally raise concerns and issues for discussion, making decisions on these issues. ▪ sought assurance on Quarter 2 Information Governance Performance Report ▪ sought assurance on Powys Teaching Health Board (PTHB) Audit Risk and Assurance (ARAC) Committee updates ▪ received the Organisational Risk Register (ORR) ▪ Approved the Role based Essential Training on ESR. ▪ received the Adferiad (Recovery) funding progress report and guidance ▪ received the Single Tender Waiver ▪ received the Winter Escalation/Mandatory Mask Wearing plan ▪ received A Healthier Wales Primary Care Model for Wales National Primary Care Board Closedown Report ▪ received and sought approval on the Finance Capacity Business Case ▪ received the recommendation for Planned Care Insourcing ▪ received the Progress Against Enabling Actions 2025-26 ▪ received the PTHB Corporate Parenting Promises ▪ received the Integrated Quality and Performance Framework (IQPF) Directorate Performance Review proposal. ▪ approved the Mental Health Pharmacy Workforce investment ▪ received the Electronic Prescribing and Medicines Administration (EPMA) Business resource ▪ approved the Mental Health Dialectical Behaviour Therapy Business Case (DBT) ▪ received the Business Continuity Management Policy
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	▪ sought assurance on the Complex Care: Private provider uplift for Mental Health ▪ sought assurance on the Staff Survey Results – Action Plan ▪ sought assurance on the Digital Report WCCIS ▪ sought assurance on the Process for revalidation and fitness to practice referrals. ▪ sought assurance on the NHSE Elective Commissioning Implementation update. ▪ received the report on Organisational Escalation Status ▪ sought assurance on the Community Hospital Delays and flow update ▪ received the Review of the (Workforce) Agency Assurance Authorisation Process ▪ received the Temporary Service Changes Evaluation and Assurance Report ▪ sought assurance on the Digital First Assurance and Annual Report ▪ received the Duty of Quality Annual Report 2024-25 ▪ sought assurance on the Monitor Implementation of Management actions for Deprivation of Liberty Safeguards (DoLS) Internal Audit Report. ▪ received the Complex Care: Private provider position and Response for Mental Health ▪ Recommended the Welsh Language Standards Annual Monitoring Report to Board ▪ received and approved the Executive Committee Sub-Structure ▪ received the Respiratory Syncytial Virus (RSV) update ▪ received the draft framework for NHS Wales Job descriptions for Band 2-3 implementation Framework ▪ Approved an extension on the Planned Care In-Sourcing Procurement ▪ received the PTHB Hepatitis B and C Elimination plan update ▪ received the overview of On-Call process ▪ received the NHS Emergency Planning, Resilience and Response Annual Report 2024-25 ▪ received the Major Incident and Emergency Response Plan and Corporate Business Continuity plan ▪ received the Neurodevelopment Service Escalation Oversight update. ▪ received the National Power Outage (NPO) Planning and Pandemic Preparedness.
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	▪ received the Infection Prevention and Control improvement plan 2023-24 ▪ received and sought assurance on the Health and Safety Annual Report ▪ received the Strategic Change and Engagement Report ▪ Sought assurance on the Whole System approach: Healthy Weight in Powys ▪ sought assurance on Speaking up Safely Framework actions closure report ▪ sought assurance on the Primary Care Cluster Reporting against Delivery 2024-25 ▪ received the UK COVID-19 Public enquiry Progress Report Q4 2024-25 and look forward. ▪ Approved the Delivery Model Continuing Health Care (CHC) Children and funded Care (Interim)inflationary uplifts 2025-26 ▪ received and approved the Flow Hub and Transfer Co-Ordinator's presentation. ▪ received the Radiological Information Systems Procurement (RISP) Update. ▪ received and recorded the formal approval for the Case for Change. ▪ received the Primary Care Optometry Eye Health Needs Assessment. ▪ Received an update on overseas nurse's programme. ▪ sought assurance on Transformation of PTHB Resuscitation Services. ▪ sought assurance on Theme 2: Great place to work ▪ Sought assurance on the Violence and Aggression Deep Dive ▪ sought assurance on the Cyber Security and Assurance Report. ▪ received the Phase one Options Appraisal Timeline Assessment ▪ received and sought assurance on the Learning from Annual External Audit of Accounts and Annual Report 2024-25. ▪ received and sought assurance on the Peoples Experience Framework. ▪ received and sought assurance on the Medicines Management Annual Report 2024-25 ▪ received the Medical Devices and Point of Care Testing Annual Report 2024-25
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	▪ sought assurance on the Food and Safety Compliance Report. ▪ sought assurance on the Maternity Assurance Report. ▪ received and sought assurance in the Quality and Safety in General Dental Services. ▪ received and sought assurance on the Clinical Audit Progress Report and Annual Report 2024-25. ▪ sought assurance in the Child Immunisations Annual Report 2024-25. ▪ received the Cardiology Heart Rhythm Test Reporting. ▪ received the Planning, Strategy Maturity Matrix – Self Assessment. ▪ sought assurance on the Tobacco Control Action Plan and Vaping Deep Dive. ▪ received the Hate Crime Charter ▪ received the Social Partnership Annual Report 2024-25. ▪ received the MSK First Contact Practitioner Service-South Cluster ▪ received the Options Appraisal: GMS Additional Funding request. ▪ sought assurance on the Implementation of Open Eyes and E-Referrals (Digitilisation of the eye care programme). ▪ received the System Winter Resilience Plan 2025-26. ▪ Received the Tender for the provision of General Dental Services in Crickhowell, ▪ sought assurance regarding the actions in place to manage service and demand and improve performance and control spending on CHC/Complex Care: Brokerage Section 33 with PCC. ▪ received the Workforce Race Equality Standard: Analysis of the Local PTHB Workforce data. ▪ received the Women's Health Options appraisal. ▪ sought assurance on the Safeguarding Annual Report 2024-25. ▪ received the Suicide and Suspected Suicide Review Report ▪ sought assurance on the North Powys Transformation Programme. ▪ received and sought assurance on the Capital and Estates Strategy Monitoring. ▪ sought assurance on the NHS England Elective Commissioning Intentions 2025-26 implementation.
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	▪ sought assurance on the Additional Learning Needs (ALN). ▪ received the COVID and Influenza Vaccination Programme 2025-26. ▪ received the Information Governance Toolkit Outturn Report improvement. ▪ sought assurance on the High-Level Partnership Governance and Assurance Report. ▪ received the Organisational Escalation Status Update ▪ sought assurance on the Six-monthly report on CHC costs. ▪ sought assurance on the Unified Contract Assurance Framework, Primary care, General Medical Services. ▪ received and sought assurance on the Primary Care Out of Hours Service. ▪ sought assurance on the Deep Dive: Mental Health Private Providers. ▪ received and sought assurance on the Nurse Staffing Levels Act. ▪ sought assurance on the Safeguarding Review-Felindre Ward. ▪ received the PACS Fees and RISP implementation ▪ approved the Planned Care Insourcing ▪ Approved the Contract Negotiations – Data Source and provision of Shropdoc changes. ▪ approved the Director of Public Health Annual Report: Population Strategic Framework 2025-2035 ▪ approved the PTHB Commissioned Third Sector Services Review Framework. ▪ received and sought assurance on the Performance MIU Deep Dive. ▪ sought assurance on Endoscopy Services (including JAG accreditation); ▪ Sought assurance on the Organisational Register of Interests, Gifts and Hospitality. ▪ Sought assurance on the Audit Findings. ▪ received the Welsh Health Circular Tracker (WHC). ▪ approved the British Pregnancy Advisory Service SLA 2026-27. ▪ received the LIMS 2.0 National Programme Implementation Delays 2026-27 and Financial Risk. ▪ approved the Arts in Health Pledge. ▪ approved the Infection Prevention and Control (FIT) testing recommendations.
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Charitable Funds Committee	▪ scrutinised applications for charitable funds; ▪ kept an overview of charitable funds income and expenditure; ▪ updated Charity Terms of Reference and documents; ▪ received project evaluations; and ▪ reviewed and recommended to the Board the Charity's Annual report and Annual accounts 2025.
Finance and Performance Committee (previously Delivery and Performance Committee)	▪ sought assurance on performance on the Integrated Quality Performance Report and Annual Delivery Plan; ▪ received the Performance section of the Annual Report; ▪ scrutinised the Organisational Status (NHS Wales Escalation Framework) Enhanced Monitoring; ▪ sought assurance on financial performance, closely scrutinising areas of cost pressure and savings plans; ▪ sought assurance on the Emergency Ambulance services; ▪ sought assurance on Tackling the Planned Care challenges; ▪ sought assurance on In-Reach Fragility; ▪ scrutinised primary care performance (General Medical Services, General Dental Services, Community Pharmacy and Out of Hours); ▪ reviewed Digital First Updates including Cyber Security; ▪ sought assurance on Food Safety compliance; ▪ scrutinised the Getting it Right First Time (GIRFT) Report; ▪ reviewed the Capital and Estates Programme delivery overview including Decarbonisation action plan and progress report; ▪ sought assurance on the Public Sector Prompt Payment Performance (PSPP); ▪ reviewed Innovative Environments updates, including seeking assurance on Health and Safety matters; ▪ sought assurance on the Information Governance and Records Management Improvement plans; ▪ reviewed the Powys Public Service Board Climate Working Group update; ▪ sought assurance on Endoscopy Services (including JAG accreditation); ▪ sought assurance on the Mid Wales Joint Committee (MWJC) Highlight Report; ▪ reviewed Internal Audit Reports; ▪ sought assurance on the Committee based Strategic Risk Register;

	▪ reviewed and sought assurance on the Continuing Health Care (CHC) Performance and System Challenges update; ▪ sought assurance on the Community Hospital Delays and flow update; ▪ sought assurance on the deep dive on Variable Pay; and ▪ sought assurance on Private providers.
Patient Experience, Quality and Safety Committee	▪ Received and sought assurance the Integrated Quality Report including: ○ implementation of the Quality and Engagement Act ○ monitor Incidents and Concerns ○ Once for Wales Content – Management system ○ Putting Things Right – Concerns ○ Duty of Candour ○ Claims, Redress and Clinical Negligence Position ○ Incident Management ○ Early Warning Notifications ○ Nationally reportable Incidents ○ Mental Health Review of Suicides ○ Welsh Risk Pool Assurance Report ○ Peoples Experience – CIVICA ○ Llais Activity ○ Infection Prevention and Control ○ Health Inspectorate Wales Inspections ○ PAVO reports ○ Bereavement Framework ○ Venous Thromboembolism Scoping Review ○ Strengthening Safeguarding in Health Review ○ QAUILS reports from Service Groups ○ PSOW Annual Letter ▪ received and sought assurance on Maternity Services ▪ received and sought assurance on the Childrens Neurodevelopment Services; ▪ received and sought assurance on Staff Experience of Mental Health and Learning Disability services in escalation ▪ received the Annual assessment of Committee Effectiveness 2024-25 ▪ received and sought assurance on the Annual Report of the Accountable Officer Controlled Drugs 2024-25; ▪ received patient stories; ▪ sought assurance on the Clinical Audit Programme Annual report and plan 2024-25, 2025-26

	▪ sought assurance on the Joint Inspection of Child Protection arrangements and Child Practice review; ▪ sought assurance on the Infection Prevention and Control Plan; ▪ sought assurance on the EPMA system update ▪ scrutinised and received the Duty of Quality Annual Report 2023/2024; ▪ received and sought assurance on the Transition of Care Annual Report 2023/2024 and 2024-25 and progress reports; ▪ received and sought assurance on the Annual Safeguarding Report 2024/25; ▪ received and sought assurance on the Medicines Management Annual report 2024-25; ▪ received and sought assurance on the Medical Devices and Point of Care Testing report; ▪ received Internal Audit Reports on: ○ Patient Flow and Discharge Management Final Report ○ Additional Learning Needs Legislation ○ Deprivation of Liberty Safeguards (DoLS) - Monitoring of matters arising. ○ Pharmacy Stores ○ Quality, Safety and Governance ○ Business Continuity Planning ○ Risk Management ○ Mattresses Final Report ○ Duty of Candour ○ Decontamination ○ Continuing Health Care ○ MH and LD Triage and Assessment Process ▪ received Audit Wales report; ○ Cancer Services ○ Joint Commissioning Committee – Quality Safety and Outcomes Sub-Committee Highlight Report ▪ sought assurance on the Committee based Corporate Risk Register. ▪ received the Duty of Quality Annual Report 2024-25 ▪ received the Mental Health Act Hospital Managers Power of Discharge Group Terms of Reference and Operating Arrangements ▪ received the JAG accreditation update. ▪ received and sought assurance on the six-monthly report on antimicrobial resistance.
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	received and sought assurance on the GMS Access and Patient experience
Planning, Partnerships and Population Health Committee	- sought assurance on the Strategic Change programmes/activities; - sought assurance the Integrated Plan 2025/26 development and the 2026-27 draft plan - Received the draft Welsh Government Planning Maturity Matrix; - sought assurance on Childhood Immunisations; - sought assurance on the Additional Learning Needs (ALN) - Sought assurance on the Public Service Board Report (PSB) and Annual Report 2024-25. - sought assurance on a Whole System Approach of prevention of obesity (including weight management pathways, Healthy Child Wales Programme; - received and approved the Adult Weight Management Pathway Update; - Received and sought assurance on the Healthy Child Wales Programme (CR) Health visiting programme - sought assurance on Better Together transformation and change programme; - sought assurance on the Winter/System Resilience Planning 2025-26; - sought assurance on the Approach to the Annual Report of Director of Public Health 2025-26 - received the Regional Partnership Board approach to the Delivery Plan 2025/26; - sought assurance on the Partnership Governance and Assurance Framework report - sought assurance on the Regional Partnership Board – Annual Delivery Plan 2026-27 exit planning - received the Primary Care Cluster reporting 2024-25; - sought assurance on the Health Protection Summary Report; - sought assurance on the population Eye Health Needs assessment; - sought assurance on the Population Screening Programme uptake and Health protection; - sought assurance on North Powys Transformation; - sought assurance on Tobacco Control and Smoking cessation, Substance misuse, and vaping; - sought assurance on the Committee based Corporate Risk Register;

	▪ received the Internal Audit/Audit Wales Audit reports; ○ NWSSP Performance Report 2025-26 ○ NWSSP Performance Report 2024-25 ○ JCC Planning, Performance and Finance Sub-Committee; ○ Primary Care Clusters Final Report 2025-26 ○ Additional Learning Needs Final Report 2024-25 ▪ received and sought assurance on the Partnership Governance Framework; and
People and Culture Committee	▪ received and sought assurance on the Workforce Performance Reports; ▪ received and sought assurance on the Director of People and Culture reports, including priorities within the Workforce section of the Integrated Plan for 2024-25; ▪ Received and sought assurance on the Workforce Race, Equality Standard: Analysis of Local PTHB Workforce data. ▪ received and sought assurance on the Workforce Futures: ○ Transformation and Sustainability ○ Staff Health and Wellbeing ○ Great Place to Work ○ Including Nurses Retention Implementation Plan/Six monthly report/outcome of deep dive into why people leave the HB in the first two years of joining ○ NHS Wales Staff Survey for Health Board ▪ sought assurance on the Professional Revalidation Internal Process; ▪ sought assurance on the Primary and Community Care Academy; ▪ sought assurance on the Welsh Language Annual Report 2024-25 ▪ received and sought assurance on the Violence and Aggression Incidents; ▪ received the Internal Audit/Audit Wales Audit reports; ○ Staff Development Programme Final Internal Audit 2025-26 ▪ received the Workforce measures to support financial recovery; ▪ received the staff story Clinical Learning in Practice (CLIP)

	▪ Received and sought assurance on the Committee Governance Action plan 2025-26; ▪ received the Terms of Reference; ▪ received the Committee Annual Report 2025-26 ▪ received the Committees Effectiveness results; ▪ sought assurance on the Committee based Strategic Risk Register.
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BOARD DEVELOPMENT

During the year, the Board took part in a number of development and briefing sessions which covered the following topics:

Developing the (Board) team	Developing the Organisation	Engaging with and learning from the organisation	Engaging with and learning from external partners
• Cyber Security • Board Member perspectives • Team time • Board and Committee Effectiveness	• Prevention and population health framework • Strategic Risk Register and Review of Risk Appetite • Level 4 escalation and intervention • Level 4 escalation support – Grant Thornton • Better Together Transformation Programme • Political Landscape in Wales – Overview and 2026 Election Outlook • Strategy and Planning including ○ Annual Plan 2025/26 ○ Annual Plan delivery confidence and update	• Information Governance and Records Management • Medical Directorate • Staff Wellbeing practitioners • NHS Staff Survey	• Audit Wales – overview of Structured Assessment • Powys County Council – Review of Adult Social Care • Llais • Welsh Risk Pool

	○ Integrated Plan 2026 – 2029 ○ Finance updates ○ Annual Plan 2026/27 • Strategic Commissioning Framework • Strategic Commissioning Intentions • Transformation and Change including ○ Developing the route map to sustainability		
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Specific Briefing sessions have been held on the following topics:

- Capital and Estates
- Maternity, Children's and Family Health
- Out of Hours
- Professional Nursing
- Community Nursing
- Information Governance
- Community Dental Services
- Digital, Data and Technology
- Community Services
- Optometry

ADVISORY GROUPS

Whilst Model Standing Orders required the Board to have three advisory groups, PTHB's Standing Orders require the Board to have two advisory groups in place (a Board decision was taken to not hold a Stakeholder Reference Group). Where active, these allow the Board to seek advice from and consult with staff and key stakeholders. They are:

- a Local Partnership Forum; and
- a Healthcare Professionals' Forum.

Information in relation to the role and terms of reference of each Advisory Group can be found in the Health Board's Standing Orders on the Health Board [website](#).

The Local Partnership Forum (LPF) is well established. Work has continued during 2025/2026 to strengthen the Forum's operating arrangements and maximise its role in providing advice to the Board. The Forum has considered the Integrated Plan, reviewed the Terms of Reference, received regular updates on the financial position, workforce analysis and a regular summary report from the Director of People and Culture. Other areas considered include NHS Staff survey results, approved Annual Plan 2026/27, Collective agreement on Registrant CPD Hours, Social Partnership Duty Annual Report 2024/2025, temporary service change, Bands 2 and 3 Nursing workforce and Speaking up Safely. All reports have a staff side focus.

The Healthcare Professionals Forum (HPF) held its inaugural meeting in March 2026 where members received a presentation on the work of the forum. Further meetings are planned for 2026/27.

The Health Board does not operate a Stakeholder Reference Group although engages with stakeholders through established partnership arrangements, including the Powys Public Service Board and the Regional Partnership Board, rather than a separate Stakeholder Reference Group. These arrangements support coordinated, citizen focused engagement and are complemented by targeted local engagement on specific service changes reflecting Powys' geography and cross border care pathways.-focused engagement and are complemented by targeted local engagement on specific service changes reflecting Powys' geography and cross-border care pathways.

JOINT COMMITTEES

Regular reports on the work of the Joint Committees are provided by the Chief Executive to the Board at each meeting and further information regarding the Joint Committees can be viewed on the Health Board's [website](#).

JOINT COMMISSIONING COMMITTEE (JCC)

The JCC was constituted as of 01 April 2024. Update and assurance reports from the JCC are reported to Board, from the JCC's Quality and Patient Safety Committee to the Patient Experience, Quality and Safety Committee and from the Planning, Performance and Finance Sub-Committee to the Finance and Performance Committee and Planning, Partnerships and Population Health Committee. Further detail about the NHS Joint Commissioning Committee can be found here - [Home - NHS Wales Joint Commissioning Committee](#)

REGIONAL JOINT COMMITTEES

During 2025/26 Welsh Government directed Health Boards to work in strategic collaboration. Two Regional Joint Committees have been established under Ministerial Direction; the South East Wales Regional Joint Committee and the South West Wales Regional Joint Commissioning Committee. The Health Board is an Associate Member of both Regional Joint Committees. Further detail regarding the South East Wales Regional Joint Committee can be found here: [South-East Wales Regional Joint Committee - Aneurin Bevan University Health Board](#). Further detail regarding the South West Wales Regional Joint Commissioning Committee can be found here: [Regional Joint Committee \(RJC\) - Swansea Bay University Health Board](#)

PARTNERSHIP AND COLLECTIVE WORKING

Regular reports on the work of the Partnership Boards are provided by the Chief Executive to the Board at each meeting and can be viewed on the Board and Committee pages of the Health Board [website](#). The Planning, Partnerships and Population Health Committee also has a key role in ensuring that the Health Board is working effectively with partners.

NHS WALES SHARED SERVICES PARTNERSHIP COMMITTEE (NWSSPC)

The NHS Wales Shared Services Partnership Committee (NWSSPC) was established in 2010 and is hosted by Velindre NHS Trust. NWSSPC is responsible for exercising shared services functions including the management and provision of Shared Services to the NHS in Wales.

More information on the governance and hosting arrangement of these committees can be found in the Health Board's Standing Orders on the Health Board [website](#).

POWYS COUNTY COUNCIL

Powys Teaching Health Board and Powys County Council have a series of overarching Section 33 agreements through which the organisations manage joint arrangements for the Community Equipment Service, Glan Irfon and Substance Misuse.

In addition to Section 33 agreements, a Memorandum of Understanding is in place regarding services for Reablement, Funded Nursing Care and Carers and there are a number of key areas where there is integrated working. These include Mental Health services, services for people with learning disabilities, older people, and children.

Oversight arrangements of Section 33 agreements are provided by the Joint Leadership Team between the Health Board and County Council.

BOARD TO CABINET FORUM AND JOINT LEADERSHIP TEAM

Powys was made a region in its own right under Part 9 of the Social Services Wellbeing (Wales) Act 2014. In light of this and combined with the requirements of the Well-being of Future Generations Act (Wales) 2015 and the Social Services Wellbeing (Wales) Act 2014, together with the collective drive towards increased integration between the two organisations, in February 2016, PTHB and Powys County Council established a Joint Partnership Board (JPB). In January 2024 this was superseded by a Joint Leadership Team (JLT) and Board to Cabinet Forum (BCF)

The JLT meets bi-monthly to consider matters of common operational concern and engender closer working arrangements between the Health Board and the County Council.

The senior membership of the Board to Cabinet Forum met in March 2026 and considered future working arrangements noting it had been difficult to convene meetings of the Board to Cabinet Forum due to the large numbers involved. A proposal to move to more regular meetings of the senior membership of the organisation is under examination.

POWYS PUBLIC SERVICE BOARD

The Public Service Board (PSB) is the statutory body established by the Well-being of Future Generations (Wales) Act 2015 which brings together the public bodies in Powys to meet the needs of Powys citizens present and future. The aim of the group is to improve the economic, social, environmental, and cultural well-being of Powys. Working in accordance with

the five ways of working, the Board has published its Well-being Assessment (revised in 2022) and Well-being Plan (2023-2026).

The Well-being Plan which has been developed through extensive engagement sets out three well-being objectives to meet the PSB vision of a Fair, Sustainable and Healthy Powys with three priorities identified to help achieve the well-being objectives.

The Health Board contributes to achieving these objectives through the delivery of 'A Healthy Caring Powys' and the Annual Plan.

The PSB reports annually outlining progress and next steps. The PSB annual reports can be found here: [Powys Public Service Board – Our Annual Progress Report – Powys County Council](#) and agendas and papers can be accessed [here](#).

POWYS REGIONAL PARTNERSHIP BOARD

The Powys Regional Partnership Board (RPB) was established under the Social Services and Well-being (SSWB) (Wales) Act 2014 in April 2016.

The RPB brings together a range of public service representatives including Powys County Council, the Health Board, third sector, citizens, and other key partners, to promote effective working together better to improve health and wellbeing in Powys.

The RPB identifies key areas of improvement for care and support services in Powys. The RPB has also been legally tasked with identifying integration opportunities between social care and health. This has been achieved through building on years of joint working and through the development of 'A Healthy Caring Powys' which has identified key priorities. The key opportunities for integrated working identified, and the actions to be taken in support of them are outlined in the Area Plan and focuses on 'Delivering the Vision'.

Priorities have been identified as a Focus on Well-being, Tackling the Big 4 (Cancer, Cardio-vascular diseases, respiratory diseases, and mental health), Early Help and Support and Joined up Care. The RPB is currently overseeing a major integrated project in North Powys providing a new model of care jointly for health and social care and extending to include supported accommodation and primary education.

Putting people and what matters to them at the centre of health and care services is core to the RPB. The RPB oversees the delivery of this in Powys, which is done through its programmes: Start Well, Live Well, Age Well as well as some other work which cuts across all of these.

Some of the RPB's responsibilities include making sure resources are available, that people remain independent for as long as possible, and that health and care services are fully joined up.

To help make this happen, the RPB also has responsibility for allocating funds from Welsh Government's Regional Integration Fund (RIF), which it uses to support key priorities.

Further information regarding the RPB can be accessed at: [Health And Wellbeing | Powys Regional Partnership Board | Wales \(powysrpb.org\)](https://powysrpb.org)

MID WALES JOINT COMMITTEE FOR HEALTH AND CARE

Following the Welsh Government's formal recognition of mid Wales as a designated planning area, the Mid Wales Healthcare Collaborative transitioned to the Mid Wales Joint Committee for Health and Care in March 2018. The Welsh Government's long-term plan for the future of health and social care in Wales, 'A Healthier Wales: Our Plan for Health and Social Care', sets out the long-term future vision of a 'whole system approach to a health and social care' which focuses on health, wellbeing, and prevention of illness.

The Mid Wales Joint Committee supports this direction of travel, and its Strategic Intent sets out what we will do to ensure there is a joined-up approach to the planning and delivery of regional solutions across organisational boundaries.

The Board receives reports from the Mid Wales Joint Committee as part of the partnership assurance arrangements.

Further detail on the Mid Wales Joint Committee can be found [here](#).

THE CORPORATE GOVERNANCE CODE

The Corporate Governance Code currently relevant to NHS bodies is 'The corporate governance in central government departments: code of good practice' (published 21 April 2017).

The Health Board, like other NHS Wales organisations, is not required to comply with all elements of the Code, however, the main principles of the Code stand as they are relevant to all public sector bodies.

The Corporate Governance code is reflected within key policies and procedures. Further, within our system of internal control, there are a range of mechanisms in place that are designed to monitor our compliance with the

Code. These include self-assessment, internal and external Audit, and independent reviews.

The Board complies with the relevant principles of the Code and is conducting its business openly and in line with the Code, and that there were no departures from the Code as it applies to NHS bodies in Wales.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

As reported in previous Annual Governance Statements, the system of internal control operating across the Health Board is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

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

The Board is accountable for maintaining a sound system of internal control which supports the achievement of the organisation's objectives. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. It has been supported in this role by the work of the committees, each of which provides regular reports to the Board, underpinned by a sub-committee structure, as shown in Figure 1 of this statement (page 80).

CAPACITY TO HANDLE RISK AND KEY ASPECTS OF THE CONTROL FRAMEWORK

The Board collectively has responsibility and accountability for the setting of the organisation's objectives, defining strategies to achieve those objectives, and establishing governance structures and processes to best manage the risks in accomplishing those objectives.

As Accountable Officer, I have overall responsibility for risk management and report to the Board on the effectiveness of risk management across the Health Board. My advice to the Board has been informed by executive officers and feedback received from the Board's Committees, in particular the Audit, Risk and Assurance Committee and Patient Experience, Quality and Safety Committee.

The Executive Committee (Committee of the Board, as per p80) meetings present an opportunity for executive directors to consider, evaluate and address risk, and actively report to the Board and its committees on the organisation's risk profile.

The Health Board's lead for risk is the Director of Corporate Governance / Board Secretary, who is responsible for establishing the policy framework and systems and processes that are needed for the management of risks within the organisation. Risks are assigned to Executive Directors to lead the organisational response.

Emergency plans and business continuity arrangements have been in place for the duration of 2025/2026, in accordance with the Health Board's statutory duties under the Civil Contingencies Act 2004 and Emergency Planning Guidance as issued by Welsh Government. The organisation continues to work closely with a wide range of partners, including the Welsh Government as it continues with its response to system pressures including our enhanced status of monitoring and escalation. It has been necessary to ensure that this is underpinned by robust risk management arrangements and the ability to identify, assess, and mitigate risks which may impact on the ability of the organisation to achieve its strategic objectives.

THE RISK MANAGEMENT FRAMEWORK

The Health Board's Risk Management Framework forms a key part of the governance framework and aims to ensure the Health Board is able to identify, evaluate and effectively manage its risks in order to increase the probability of success and reduce the likelihood of failure.

Our risk management framework clearly sets out the components that provide the foundation and organisational arrangements for supporting risk management processes in the organisation. It clarifies roles and responsibilities, communication, escalation of risks and reporting lines.

It has been developed to create a robust risk management culture across the Health Board by setting out the approach and mechanisms by which the Health Board will:

- ensure that the principles, processes, and procedures for best practice risk management are consistent across the Health Board and are fit-for-purpose;
- ensure that risks are identified and managed through a robust Board Assurance Framework and accompanying infrastructure of risk registers;
- embed risk management and established local risk reporting procedures to ensure an effective integrated management process across the Health Board's activities;
- ensure that strategic and operational decisions are informed by an understanding of the organisation's risks and their likely impact;

- ensure that risks to delivery of the Health Board's strategic priorities are proactively managed;
- manage the clinical and non-clinical risks facing the Health Board in a co-ordinated way; and
- keep the Board and its Committees suitably informed of significant risks facing the Health Board and associated plans to treat risks.

The Risk Management Framework sets out a multi-layered reporting process. It has been developed to help build and sustain a culture that uses risk to inform decision making, encourages appropriate risk taking, and encourages organisational learning to continuously improve the quality of the services provided and commissioned and provide greater assurance to our stakeholders.

In year, the Health Board has further strengthened its oversight and assurance of its risk management arrangements. In March 2025 Board approved a revised Risk Management Framework, the main update was to the structure deployed by the Health Board to manage risk, which included the closure of the previous Corporate Risk Register from May 2025. The Board received the first iteration of a newly developed Strategic Risk Register in July 2025 and a summary of the Organisational Risk Register, focused on significant and cross-organisation operational risk, in November 2025. The Organisational Risk Register is owned by the Executive Committee and reported to the Board for awareness. This creation of the Organisational Risk Register additional risk register focused on significant operational risk is intended to allow greater focus on the risks to Health Board's strategic objectives at Board level, as well as more dynamic escalation, oversight and management of significant, cross-organisational operational risks by the Executive Team. Work will continue in 2026/2027 to embed and mature the organisation's risk management infrastructure and reporting arrangements for both strategic and operational risks.

The Risk Management Framework also sets out the ways in which risks will be identified, assessed, treated, monitored and reported in alignment with the Orange Book 2023. The Risk Management Toolkit assists risk owners across the organisation in day-to-day identification, assessment, and management of risk. This is supported with training, support and advice from the Health Board's Corporate Governance Team who endeavor to facilitate a risk aware culture by effectively engaging with services to embed the risk management framework and process. Generic Risk Management Training is available to all staff via the Electronic Staff Record (ESR). Tailored Health Board specific training is available to directorates/services upon request.

The Risk Management Framework undergoes annual review and is due to be considered by the Board in May 2026. The focus of the 2025/2026 review will be to ensure robust alignment between the Risk Management Framework

and Board Assurance Framework. In 2026/2027 work will also continue to be undertaken by the Corporate Governance Team to develop comprehensive risk management training materials in support of the Risk Management Framework with a focus on the introduction of a digital risk registers platform. Engagement will also continue with Executive Directors and other senior leaders to identify directorates or services who would benefit from tailored risk management training and support in order to develop a risk management training plan.

The Risk Management Framework is available on the Health Board's website [here](#).

MANAGEMENT OF RISKS DURING 2025/2026

Strategic Risks

Strategic risks are those risks that represent a threat to achieving the Health Board's strategic objectives or its continued existence.

Strategic risks are recorded on the Board's Strategic Risk Register (SRR), which provides an organisational-wide summary of significant risks to the delivery of one or more of the Board's strategic priorities.

A fundamental review of the SRR was developed in Q1 of 2025/2026 following the closure of the previous Corporate Risk Register and in alignment with the 2025/2026 Integrated Plan, in order to ensure that the consistent reflection of the risks to delivering the Health Board's strategic priorities. The Strategic Risk Register was reviewed on a continuous basis throughout 2025/2026 with updates reported to the Board via the Executive Committee in July, November and March. Key themes of the Strategic Risk Register are as follows:

- financial sustainability and the duty to achieve financial breakeven
- the delivery and realisation of benefits of transformation
- the ability to respond to the demand for both provided and commissioned services
- the ability of primary care services to respond to demand
- ongoing challenges in recruiting and retaining staff
- the potential for care to be compromised due to the Health Board's estate not being fit for purpose
- the ability to stabilise the growing implications of Continuing Health Care
- the ever-present risk of to the Health Board's digital and electrical infrastructure
- the risk presented by the need to respond to a major incident or emergency and;
- risk regarding maintaining public confidence in relation service delivery and transformation.

Operational Risks

Operational risks are those risks that represent a threat to the day-to-day activities of the Health Board. The most significant operational risks within the organisation are recorded within the Organisational Risk Register, which is supported by a hierarchy of Directorate and Service Level Risk Registers.

The Organisational Risk Register was newly developed in Q3 of 2025/2026 and regularly reviewed by the Executive Committee. Key themes identified in 2025/2026 included:

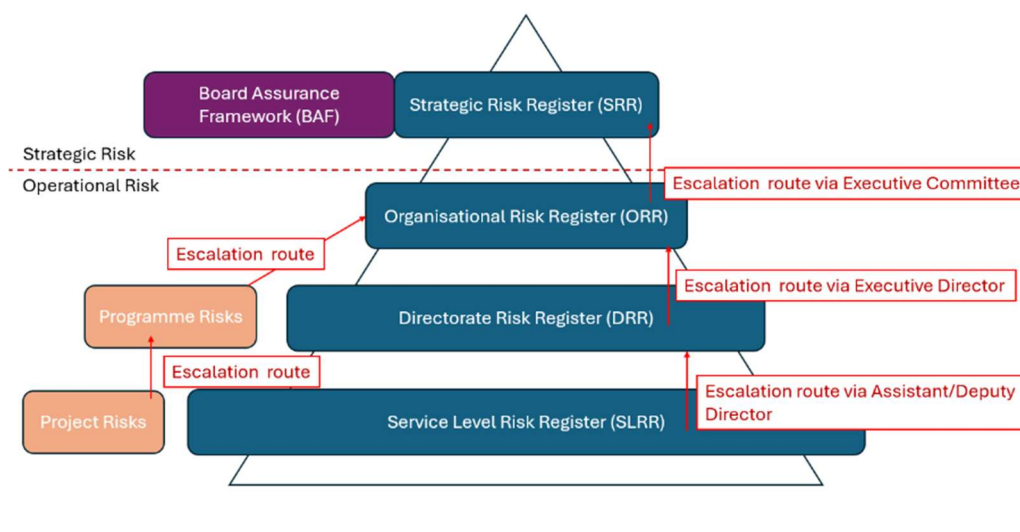
- delivery of the financial forecast and savings target for 2025/2026
- the implementation of the NHS App
- urgent care flows
- the sustainability of service models
- limited service and staffing capacity within specific service areas and;
- potential deterioration in partnership working

EMBEDDING EFFECTIVE RISK MANAGEMENT

Embedding effective risk management remains a key priority for the Board as it is integral to enabling the delivery of our priorities, both strategic and operational, and most importantly to the delivery of safe, high-quality services.

Since March 2021 Internal Audit has provided reasonable assurance each year in relation to the Health Board's arrangements for Risk Management and the Board Assurance Framework. At the time of writing, the draft report for 2025/2026 was yet to be received.

The Risk Management Framework outlines the roles and responsibilities for risk management, the organisation's risk architecture, Strategic and Directorate monitoring and reporting lines, the Board's approach to risk appetite and risk management processes including the escalation, consolidation, and aggregation of risks. The Framework (alongside the Risk Appetite Statement) is reviewed on an annual basis by the Board. In Q4 of 2024/2025 the Board approved a range of updates to the Risk Management Framework, including the closure of the Corporate Risk Register, to be replaced with a Strategic Risk Register, owned by the Board and an Organisational Risk Register, focused on significant and cross-organisation operational risk, owned by the Executive Committee, as outlined in the figure included below. These updated were fully operationalised and embedded in 2025/2026, with further work planned for 2026/2027 to continuously develop and mature the established risk management arrangements.



The annual review of the Risk Management Framework for 2025/2026 was undertaken in Quarter 4 and the revised Framework is due to be presented to the Board in May 2025 for approval. The 2025/2026 review was focused on ensuring consistency and integration with the Health Board's Board Assurance Framework (BAF).

The Health Board's Board Assurance Framework was approved by the Board in May 2024, and in 2025/2026 significant work was undertaken to operationalise the key elements of the BAF in relation to risk management. This included:

- The establishment of a Board Assurance Framework (BAF) Dashboard which reports to the Board alongside each Strategic Risk Register update to provide assurance that the actions deployed by the Board to manage/mitigate its key risks are adequate and effective, and presenting an opportunity to undertake further action where gaps or weaknesses are identified;
- The development of the Board Assurance Framework Analysis Principles document which demonstrates the mechanism and standards by which the information within the BAF Dashboard is analysed to produce the ratings and findings presented, to support Board members utilisation of the tool; and
- The development of an Annual Review of Strategic Risk Assurance report to the Audit, Risk and Assurance Committee which provided a detailed analysis of each Strategic Risk to consider whether controls and assurance are effective, adequate and well balanced as well as the opportunity to assess any gaps in control or assurance and assess the appropriateness of control improvement actions.

The Board Assurance Framework was reviewed in Q4 of 2025/2026 and will be reported to the Board in May 2026, alongside the Risk Management Framework, for approval.

A revised Risk Toolkit remains in development and will look to provide staff with an easy read, step by step guide for the practical implementation of the key elements of the Risk Management Framework.

In May 2025 the Executive Committee approved a revised sub-group structure, which including the dissolution of the Risk and Assurance Group – the Group previously tasked with the oversight and escalation of operational risk and the integration of the Risk Management Framework. The former Groups responsibilities in regard to the oversight and escalation of operational risk were transferred to the Operational Leadership Group (OLG) a newly developed sub-group constituted of Assistant and Deputy Directors and responsible for overseeing key cross-organisational issues on behalf of the Executive Committee. The inclusion of risk management in the purpose of the Group is intended ensure the full integration of risk management in key organisational developments. The OLG met 8 times in 2025/2026 and regularly considered issues pertaining to risk management, the OLG was also tasked with the development of the Operational Risk Register (ORR) on behalf of the Executive Committee.

Consultation with internal and external stakeholders and partners is an important element of the risk management process. Communication and engagement vary depending upon the nature and severity of the risk. For example, our risk related to accessing planned, secondary, and specialised care requires a partnership approach and is dependent on working closely with key commissioners in both NHS Wales and NHS England. Engagement of stakeholders has also taken place through multi-agency partnership working. The Regional Partnership Board, Joint Partnership Board and Public Services Board is part of the Health Board governance structure that helps to support the management of risk facing the organisation through collective dialogue.

RISK APPETITE

The Board's Risk Appetite Statement sets out the Boards strategic approach to risk-taking by defining its risk appetite thresholds. It is a 'live' document that is regularly revised and modified, so that any changes to the organisation's strategies, objectives, or its capacity to manage risk are properly reflected. The Risk Appetite Statement is composed of two parts: a general written statement, supported by the cumulative risk appetite categories.

In updating and approving its Risk Appetite Statement, the Board considered the Health Board's capacity and capability to manage risk.

The Board recognises that risk is inherent in the provision and commissioning of healthcare services, and therefore a defined approach is necessary to articulate risk context, ensuring that the organisation understands and is aware of the risks it is prepared to accept in the pursuit of its aims and objectives.

In 2024/2025 the Board undertook a fundamental review of its Risk Appetite Statement in response to the increasingly complex and significant challenges and opportunities facing the Health Board. In recognising the risks inherent in healthcare services, the risk appetite statement starts at the basis of a low appetite. In 2024/2025 it was agreed that appetite would be increased in regard to reputation and public confidence, and financial sustainability risks, which may be necessary to support achievement of the Board's ten-year strategy 'A Healthy, Caring Powys'. The Board recognised the need to balance all categories of risk appetite, in reality complex decisions contain components that fall across the range of risk categories, for example financial sustainability, performance and service sustainability and workforce could all be contained within any one decision.

The whole Board were involved in preparing the statement and the complexities in relation to the establishment of the Board's appetite in respect of quality in the context of current and future system pressures and financial outlook was recognised. Ongoing monitoring of the external environment within which the Health Board operates, and the internal risk environment will continue to be monitored, and the Risk Appetite Statement adjusted as required to provide clarity and granularity to aid effective decision making and the treatment of risk.

The following risk appetite levels have been included and have been used as the basis in determining the appetite levels set out in the Statement:

Risk Appetite	Description
Averse	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is key objective. Activities undertaken will only be those considered to carry very limited or virtually no inherent risk.
Minimal	Preference for very safe business delivery options that have a low degree of inherent risk with the potential for benefit/return not a key driver. Activities will only be undertaken where they have a low degree of inherent risk.
Cautious	Preference for safe options that have low degree of inherent risk and only limited potential for benefit. Willing to tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant benefit

Risk Appetite	Description
	and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
Open	Willing to consider all options and choose one most likely to result in successful delivery while providing an acceptable level of benefit. Seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
Eager	Eager to be innovative and to choose options based on maximising opportunities and potential higher benefit even if those activities carry a very high residual risk.

The thresholds provided with the Risk Appetite Statement are provided below:

Risk Category	Description
APPETITE FOR RISK: Averse	
Safety	We consider the safety of patients and staff to be paramount and core to our ability to operate and carry out the day-to-day activities of the organisation. We have a low appetite to risks that result in, or are the cause of, incidents of avoidable harm to our patients or staff. We will not accept risks, nor any incidents or circumstances which may compromise the safety of any staff members and patients or contradict our values i.e., unprofessional conduct, underperformance, bullying or an individual's competence to perform roles or tasks safely nor any incident or circumstances which may compromise the safety of any staff members or group.
Financial Governance	We will not accept risks, nor any incidents or circumstances which may compromise to the integrity of financial reporting and associated processes; and risks relating to financial impropriety or fraud.

Risk Category	Description
	We will maintain robust controls to ensure compliance with our Standing Financial Instructions financial propriety, to prevent fraud or error; and we will ensure remedial actions are enacted diligently should any concerns be identified.
APPETITE FOR RISK: Minimal	
Quality	The provision of high-quality services is of the utmost importance for the Health Board. The Board acknowledges that in order to achieve individual patient care, treatment and therapeutic goals there may be occasions when a low level of risk must be accepted. Where such occasions arise, we will support our staff to work in collaboration with those who use our services, to develop appropriate and safe care plans. We therefore have a low appetite for risks which may compromise the Duty of Quality and/or the quality of the care we deliver / could result in poor quality care, non-compliance with standards of clinical or professional practice or poor clinical interventions. Our service is underpinned by clinical and professional excellence and any risks which impact on quality could adversely affect outcomes and experiences of our patients, service users and communities.
APPETITE FOR RISK: Cautious	
Regulation & Compliance	We are cautious when it comes to compliance and regulatory requirements. Where the laws, regulations and standards are about the delivery of safe, high quality care, or the health and safety of the staff and public, we will make every effort to meet regulator expectations and comply with laws, regulations and standards that those regulators have set, unless there is strong evidence or argument to challenge them.
Workforce	The Health Board is committed to recruit and retain staff that meet the high-quality standards of the organisation and will provide on-going development to ensure all staff reach their full potential. This key driver supports our values and objectives to maximise the potential of our staff to implement initiatives and procedures that seek to inspire staff and support transformational change whilst ensuring it remains a safe place to work.

Risk Category	Description
	Our work will continue to be undertaken in partnership with our Trade Union colleagues.
Financial Sustainability	We recognise we have been entrusted with public funds and must remain financially viable. Our financial deficit means that robust controls are required to manage our exposure to risks which might increase our expenditure. We will make the best use of our resources for patients and staff ensuring maximum value is achieved. Though we recognise that some risk is inherent to achieving our priorities.
APPETITE FOR RISK: Open	
Performance and Service Sustainability	We have a low-moderate risk appetite for risks which may affect our performance and service sustainability. We are prepared to accept managed risks to our portfolio of services if they are consistent with the achievement of patient/donor safety and quality improvements as long as patient/donor safety, quality care and effective outcomes are maintained. Whilst these will both be at the fore of our operations; we recognise there may be unprecedented challenges (such as Covid-19, workforce availability and limited resources) which may result in lower performance levels and unsustainable service delivery for a short period of time. We will also consider impacts on both short and long term performance and service sustainability in our decision making.
Financial Investment	Risks associated with investment or increased expenditure will only be considered when linked to delivery of core patient services supporting innovation and strategic change and/or legal or regulatory compliance. Though we are open to evidence-based innovations and investments which will significantly impact the drivers behind our financial deficit position, provided that these are aligned to our financial governance arrangements.
Reputation & Public Confidence	We will maintain high standards of conduct, ethics and professionalism at all times, championing our Values and Behaviours Framework, and will not accept risks or circumstances that could unduly damage the public's confidence in the organisation. Our reputation for integrity and competence should not be compromised with the people of Powys,

Risk Category	Description
	Partners, Stakeholders and Welsh Government. Our communication and engagement will remain open and transparent. In light of the challenging environment related to public sector funding, we have a more open appetite for risks that may impact on the reputation of the Health Board when these arise as a result of the Health Board taking opportunities to improve the quality and safety of services, within the constraints of the regulatory and financial environment.
Partnerships	The Health Board is committed to working with its stakeholder organisations to bring value and opportunity across current and future services through system-wide partnership. We are open to developing partnerships with organisations that are responsible and have the right set of values, maintaining the required level of compliance with our statutory duties at a local, regional and national level. We therefore have a high risk appetite for partnerships which may support and benefit the patients in our care. For example, the Health Board has a high appetite for risks associated with innovation and partnership with the third sector, industry and academia in order to realise the provision of new models of care, new service delivery options, new technologies, efficiency gains and improvements in clinical practice. However, the Health Board will balance the opportunities with the capacity and capability to deliver such opportunities and is confident that there will be no adverse impact on the safety and quality of the services provided.
APPETITE FOR RISK: Eager	
Innovation & Strategic Change	We wish to maximise opportunities for developing and growing our services by encouraging entrepreneurial activity and by being creative and pro-active in seeking new initiatives, consistent with the strategic direction set out in the Integrated Plan, whilst respecting and abiding by our statutory obligations. We will consider risks associated with innovation, research and development to enable the integration of care, development of new models of care and improvements in clinical practice that could support

Risk Category	Description
	the delivery of our person and patient centred values and approach. We will only take risks when we have the capacity and capability to manage them and are confident that there will be no adverse impact on the safety and quality of the services we provide or commission.

THE HEALTH BOARD'S RISK PROFILE

As can be seen from the Heat Map at Figure 7, at the end of March 2026, a number of key risks to the delivery of the Health Board's strategic priorities had been identified. Full details of the controls in place and actions taken to address these risks can be found in the Strategic Risk Register on the Health Board's website [here](#).

Figure 7: Strategic Risk Heat Map

Almost certain 5				SRR 003 – Commissioning	
Likely 4				SRR 002 – Transformation SRR 004 – Provider SRR 005 – Primary Care SRR 006 – Workforce SRR 007 – Estate SRR 009 – CHC	SRR 001 – Financial Balance
Possible 3				SRR 010 – Emergency Response	SRR 011 – Digital SRR 012 – Public Confidence
Unlikely 2					
Rare 1					
LIKELIHOOD X IMPACT	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5

An overview of the key (catastrophic) risks (i.e. those in the catastrophic section of the Heat Map) and actions taken to manage the risks are provided in Figure 8.

Figure 8: Key Risks and Controls

SRR 001 – Risk Score 20 - The Health Board is unable to achieve its duty to achieve financial breakeven (and therefore sustainability).

CONTROLS IN PLACE & ACTION TAKEN	IMPROVEMENT ACTIONS
▪ Financial Plan approved by Board. Subsequent AO letters set out savings target of £23.1m. ▪ Additional control - Introduced joint CEO and ED Finance only focussed meetings with each Exec Director individually. ▪ Risks and Opportunities – focus and action to maximise opportunities and minimise / mitigate risks. ▪ Group established for Variable Pay, identified leads and clear expectation re delivery, these groups will have a short and longer-term focus for delivery. Variable Pay, CHC and Commissioning regular deep dive areas of focus at F&P Committee to track actions to improve. ▪ Investment Benefits Group - focus on benefits realisation of previous investments, including consideration of dis-investment. ▪ Regular communication and reporting to Welsh Government and NHS Wales Performance and	▪ Executive Directors are focussed on delivery of £23.1m savings targeted for 2025/26. ▪ Executive Team workshops focussed on actions to reduce expenditure in 2025/26. ▪ An external review has been commissioned, which is focusing on the financial position of the Health Board and its arrangements for commissioning secondary healthcare services and CHC.

Improvement (Financial Planning and Delivery Directorate) regarding the impact of pressures on Financial Plan and underlying position.	
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SRR 011 – Risk Score 15 - Failure of Digital & Electrical Infrastructure in Powys (Internal & External) poses a risk to the delivery of care.

Due to the sensitive nature of this risk, detailed content in relation to controls and improvement actions are not made publicly available.

SRR 012 – Risk Score 15 – The Health Board is unable to maintain and build public confidence in regard to service delivery and transformation in staff, patients, stakeholders and community.

CONTROLS IN PLACE & ACTION TAKEN	IMPROVEMENT ACTIONS
▪ Better Together programme in place in order to make lasting decisions about the permanent future shape of safe and sustainable health services, with Stage One engagement completed and Stage Two engagement nearing completion ▪ Communication and engagement team in place (substantive team = 4.0wte, additional temporary posts) with active management of priorities aligned with organisational priorities and risks ▪ Weekly informal communications report to Board including reputation risk portfolio to support internal review and scrutiny ▪ Twice Yearly Engagement and Communication Report	▪ Stakeholder engagement assurance included within TI support framework ▪ Identification of named Locality leads for each of the 13 Powys localities ▪ Establish annual Insight Report from community engagement activities for Board review and to inform annual planning

supports ongoing review of capacity against opportunities and risks ▪ Temporary strengthening of communications and engagement function including non-pay resources to support Better Together programme ▪ Procurement of additional engagement delivery and analysis support to Stage Two Better Together engagement ▪ Procurement of additional consultation delivery and analysis support to Stage Three Better Together ▪ Stakeholder Map in place ▪ Priority stakeholder engagement mechanisms in place (e.g. regular MS/MP briefings, Board to Cabinet meetings with PCC, Joint Leadership Team meetings with PCC, RPB and sub-structures, PSB and sub-structures) ▪ OD programme in place linked to Better Together transformational change programme ▪ Channel strategy in place and kept under review (web, GovDelivery, Facebook, NextDoor etc.) ▪ Out of hours media protocol in place via Gold On Call but currently insufficient team capacity for on call comms ▪ Powys Engagement and Insight Network in place to support pan-organisational co-ordination of engagement and insight (joint sub-group of RPB and PSB) ▪ Programme of continuous engagement in place as of October 2025 following strengthening of the engagement team.	
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A full copy of the Strategic Risk register is linked here - [Strategic Risk Register - March 2026](#). The Board received and reviewed the Strategic Risk Register at three meetings of the Board during 2025/2026. As a result of the reviews undertaken by the Executive Committee and the Board, the risk scores for a number of risks changed during the year in the context of the external environment, and other developments such as improvements made to the control process.

As undertaken in 2025/2026, following Board approval of the Integrated Plan for 2026/2027 a full review of Strategic Risk will take place to ensure priorities are identified, assessed and mitigating actions established, as well as assurance levels assessed.

EMERGENCY PREPAREDNESS

The Civil Contingencies Act 2004 and Emergency Planning Guidance issued by Welsh Government, places statutory duties on the Health Board to ensure arrangements are in place to respond to emergencies and major incidents. To meet this duty, the Health Board has a range of emergency response and business continuity plans in place to respond to emergencies and disruption to services. This includes the provision of training and participation in other emergency preparedness events.

Over the last twelve-month period, the Health Board has used the arrangements outlined in our plans to respond to a number of incidents that have impacted on the Health Board's services. The Health Board has also participated in a number of exercises which have taken place to test the arrangements detailed within the Health Board's response plans and procedures.

The Health Board continues to regularly engage and work collaboratively with our multi-agency partners on a wide range of preparedness activities and in response to incidents. This collaboration is achieved through the Dyfed Powys multi-agency Local Resilience Forum, Welsh Government, NHS Wales Performance & Improvement and with other NHS Wales organisations through a variety of groups.

To demonstrate compliance with the Civil Contingencies Act, the Health Board is required to submit an assessment (Annual Report) on the Health Board's emergency preparedness activities to NHS Wales Performance & Improvement on an annual basis. The Annual Report was considered at the July 2025 In-Committee Board meeting, prior to its submission to NHS Wales Performance & Improvement.

KEY ASPECTS OF THE CONTROL FRAMEWORK

In addition to the Board and Committee arrangements described earlier in this document, I have worked to further strengthen the Health Board's control framework over the last 12 months. Key elements of this include:

Quality Governance Arrangements

As an NHS Wales organisation, the Health Board has a statutory Duty of Quality and operates an integrated system of quality governance, providing assurance to the Board that services are safe, effective, person-centred and continuously improving.

Quality governance arrangements are informed by:

- Health and Social Care (Quality and Engagement) (Wales) Act 2020

- NHS Wales Quality and Safety Framework
- *A Healthier Wales*
- Health and Care Quality Standards (2023)

Quality is embedded as a golden thread throughout organisational planning, performance management and assurance arrangements, supported through the Integrated Quality and Performance Framework. This enables quality intelligence to inform decision-making, risk management and improvement priorities across the organisation.

Governance and Assurance

The Board gains assurance through the Patient Experience, Quality and Safety Committee, which provides independent scrutiny and oversight of:

- patient safety and experience
- quality performance indicators
- clinical risk management
- Duty of Candour compliance
- learning from incidents, complaints and mortality reviews.

During 2025-26, the Health Board commenced planning and implementation of the NHS Wales People's Experience Framework, strengthening how people's feedback and experience intelligence are systematically captured, analysed and used alongside safety, performance and outcome data to inform improvement and provide assurance to the Board. This work supports a more consistent national approach to understanding what matters to people who use services and how this drives quality improvement.

In preparation for the introduction of the Listening to People framework in April 2026, preparatory work has also been undertaken to further strengthen compassionate engagement, early resolution and organisational learning arrangements, ensuring governance systems are aligned with forthcoming national changes to concerns handling and feedback processes.

Escalated risks are incorporated within the Board Assurance Framework and Corporate Risk Register, ensuring alignment between operational risks and strategic objectives and enabling Board oversight of significant quality and safety risks.

Clinical Risk Management

Clinical risks are identified through incident reporting, audit findings, concerns, experience feedback, external reviews and regulatory activity.

Risks are assessed using the organisational risk management framework and monitored through committee structures to ensure mitigation actions are implemented and effectiveness evaluated.

Significant clinical risks are monitored through the Board Assurance Framework, enabling the Board to assess the effectiveness of controls and the impact of improvement actions on patient outcomes.

Information Governance

Information governance arrangements provide assurance regarding data quality, confidentiality and security, supporting safe decision-making and effective oversight. Processes are in place to ensure that any data security incidents are appropriately managed, reported and learned from in line with statutory and organisational requirements.

Sources of Quality Assurance

Key assurance mechanisms include:

- Putting Things Right (concerns, incidents and redress)
- People's experience feedback and engagement intelligence
- Clinical audit and national benchmarking (e.g. GIRFT, CHKS)
- External reviews and regulatory inspections
- Professional regulation and supervision
- Workforce and staff survey feedback
- Integrated Quality Reporting.

Collectively, these arrangements provide the Board with assurance that quality risks are appropriately identified and managed, learning is embedded across the organisation, and actions taken are contributing to improved patient outcomes.

The Board considers quality governance arrangements to be integral to the organisation's overall system of internal control and risk management, forming a key component of the assurance framework described within the Governance Statement.

Health and Care Standards and the Duty of Quality

The Health Board discharges its statutory Duty of Quality in accordance with the Health and Social Care (Quality and Engagement) (Wales) Act 2020. The Health and Care Quality Standards (2023) provide the framework through which quality is planned, assured and improved across all services, and form

a core component of the Integrated Quality and Performance Framework underpinning Board decision-making, risk assessment and improvement priorities across the organisation.

Care delivery is assessed against the STEEP principles:

- Safe,
- Timely,
- Effective,
- Efficient,
- Equitable, and
- Person-centred

supported by organisational enablers including leadership, workforce, culture, information, learning and whole-system collaboration.

The Board and its Committees use the Quality Standards to:

- assess service performance and outcomes
- inform risk escalation and assurance discussions
- guide quality improvement priorities
- evaluate equity and population outcomes.

During 2025-26, the Health Board further strengthened its approach to quality assurance through the development of a triangulated system of reporting, bringing together intelligence from incidents, audits, claims, concerns and complaints. This enables a more comprehensive assessment of organisational performance and supports the identification of emerging risks and improvement hotspots.

The STEEP principles have also informed organisational planning and improvement activity, including the Annual Plan, the Better Together programme and wider programmes of work within the Integrated Medium-Term Plan (IMTP), ensuring that quality considerations are embedded within service transformation and delivery planning.

Compliance with the Duty of Quality is monitored through integrated reporting arrangements, enabling triangulation of performance, patient experience and safety intelligence to support Board oversight and informed decision-making.

The Duty of Quality and Duty of Candour Annual Report will be published after this Annual Report and made available via the Health Board website, with findings informing ongoing governance and improvement activity.

Clinical Audit

For 2025/26 a comprehensive Clinical Audit Plan was developed by the directorates and/or service groups and approved by the Patient Experience, Quality and Safety Committee in April 2025.

187 audits covering service improvement, service evaluation, National Audit Programme work and responses to incidents were included in the Clinical Audit Plan.

A closure report on the 2024/2025 Clinical Audit Programme and a verbal progress reports on the delivery of the Clinical Audit plan for 2025/26 were presented to the Patient Experience Quality and Safety Committee at the August 2025 meeting.

A written update report on the 2025/26 programme was presented to the Patient Experience Quality and Safety Committee in October 2025.

The Surgery and Endoscopy Service noted that they were undertaking work on the Association for Perioperative Practices (AfPP) audits for theatres to adapt them for use in a community hospital day surgery environment.

After undergoing a full review, items duplicating information in other audits were removed or amalgamated to provide a more logical approach to audit in this space.

In January 2026 the Deputy Medical Director submitted a report to Welsh Government on the Health Board's achievements on audits from the NHS Wales National Clinical Audit Plan in response to the Welsh Health Circular WHC/2025/042.

Complaints and Concerns Framework

The Health Board operates its concerns arrangements in accordance with the NHS (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011, ensuring concerns are managed openly, proportionately and in a manner that supports learning and service improvement.

Performance against statutory response times has continued to improve during 2025-26, supported by an increased focus on early resolution where appropriate, and engagement with people raising concerns.

Implementation of the Duty of Candour continues to support a culture of openness, transparency and learning across the organisation. After launch, an increase in recorded duty of candour incidents reflected growing staff awareness of the duty. However, further training and staff confidence in recognising where harm thresholds are met has seen a slight reduction, to stable reporting levels, with assurance that we are responding appropriately.

Learning arising from concerns is considered alongside wider sources of quality intelligence, including incidents, claims, audit findings and patient feedback. This triangulated approach supports identification of themes; highlights areas requiring improvement and informs organisational learning.

Preparatory work has also commenced in readiness for the introduction of the national Listening to People framework, supporting continued development of compassionate engagement, early resolution and strengthened learning from feedback and concerns.

The Patient Experience, Quality and Safety Committee receives regular assurance reports covering concerns performance and emerging trends, compliance with regulatory timescales, thematic learning identified through concerns and improvement actions arising from feedback and investigations.

Through these arrangements, concerns intelligence contributes to the Board Assurance Framework and supports organisational risk management and quality governance oversight.

Further information regarding Putting Things Right arrangements is available on the Health Board [website](#).

Medical Examiner Service

Since 2024 the Medical Examiner (ME) service has reviewed all deaths of Powys residents. This was a significant increase in workload for all of the ME related services. As a result, in some cases delivery of the Medical Certificate of Cause of Death (MCCD) was delayed. Following a period of review and collaborative working between Health Boards and the ME service, performance has improved.

The June 2025 data for Powys Teaching Health Board indicated that overall MCCD completion times remained in line with the Wales average, however there were areas where comparison to other Health Boards suggested areas for improvement. A key metric is the time taken for notes to be sent to the ME service and for the ME service to review the case. A task and finish group was set up to review processes and both metrics have improved. A dashboard has been published by the ME service so that performance can be easily monitored.

Collaborative working with the ME service continues and at a stakeholder panel held in December 2025, generally positive feedback was shared with the Health Board. It was highlighted that proformas completed by GPs were exemplary and improved performance in communicating with the ME service was noted. It was noted that some MCCDs are being returned for rewording. The learning from this is being shared with General Practice teams.

Whilst there have been no serious issues for concern raised, there is helpful feedback and learning which is fed back to teams and other provider services to inform our continuous improvement.

Comparative data for 2024/2025 demonstrates that the number of deaths fell slightly in 2025. Fewer people are dying in hospital, and more people are dying at home.

Deaths of Powys Residents Summary

2024	2025
Total deaths: 1,641	Total deaths: 1,593
Hospital: 848 (192 in Powys hospitals; 656 in hospitals outside Powys)	Hospital: 763 (189 in Powys hospitals; 574 in hospitals outside Powys)
Home: 414	Home: 454
Care home: 304	Care home: 301
Hospice: 39	Hospice: 38
Other: 36	Other: 37

LEARNING FROM EXPERIENCE GROUP

The learning from experience group continues to evolve and will be reviewed over coming months as the Quality Management System is further developed.

During 2025/26 key areas considered were the roll out of the NEWS 2 early warning score, learning from internal audits and key learning from a review of maternity and neonatal services in another Welsh Health Board.

Mechanisms for improving 'floor to board' communication were considered as were sharing learning by including key themes and areas of concern in the corporate induction programme.

EXECUTIVE PORTFOLIOS

In May 2024, the Board approved an updated Scheme of Delegation and Reservation of Powers. This document sets out the delegation of responsibility to Executive Directors. The allocation of responsibilities is based on ensuring an appropriate alignment of accountabilities and authority within each Executive Directorate and Executive Director portfolio, and to also ensure that

Executive Directorates focus on their core responsibility. A review was undertaken during 2025/26 which resulted in minor changes and was approved at Board in January 2026.

An overview of Executive Director portfolios is set out in **Figure 9.**

Figure 9: Executive Portfolios

Executive Medical Director – Full Year
• Professional lead for Medicines Management including Patient Group Directions - written instructions to help supply or administer medicines to patients, usually in planned circumstances. • Research and Development - Including clinical trials. • Professional Medical and Dental Workforce: Standards, Education, Regulation and Responsible Officer – Appraisal and Revalidation • Caldicott Guardian • Medical Legislation and National Policy • Medical Leadership and Engagement • Admission to the performers list • Blood Safety and Quality • Human Tissue issues • Executive lead for Organ Donation • Clinical Audit • Resuscitation • Mortality Reviews • Development of and Engagement with Clinical Networks • Individual Patient Commissioning • Implementation and compliance with Medical Royal College Standards • Implementation and compliance with National Institute for Clinical Excellence (NICE) guidelines. • Strategic responsibility to Board for Clinical Informatics
Revisions in January 2026 • Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies. • Cancer • Antimicrobial Stewardship • Medical Students
Executive Director of Nursing, Quality, Women and Family Health
• Professional leadership of Nursing and Midwifery • Lead Executive for implementation of the Duty of Quality and the Duty of Candour, quality of Health and Care Services, Patient Experience and Satisfaction, including raising Concerns – patients and public (Putting Things Right, NHS Redress), review and addressing of patient safety incidents and the associated Board level reporting

- Infection Prevention and Control
- Decontamination
- Implementation and compliance with Patient Safety Alerts
- Executive lead for children and young people services
- Safeguarding Adults and Children
- (CYSUR & CWMPAS – the Regional Safeguarding Boards)
- Safeguarding, protecting and promoting the health and well-being of children, young people, vulnerable adults and victims of domestic abuse.
- PTHB actively contribute locally, regionally and nationally on a number of Safeguarding agendas including:
 - Child Protection
 - Adult Protection
 - Looked After Children
 - VAWDASV and Gender Based Violence
 - Community Safety Partnership
 - Youth Offending Board
 - Deprivation of Liberty Safeguards
 - MAPPA
 - Female Genital Mutilation
 - Modern Day Slavery and Trafficking
 - Child Sexual Exploitation.
- Deprivation of Liberty Safeguards
- Nutrition and Hydration
- Dementia
- Professional Nursing and Midwifery Workforce: Standards; Education; Regulation; Supervision of Midwives; and NMC Revalidation
- Women and Children's Services including ALN.
- Integration Agenda with Powys County Council in relation to operational delivery: Children
- Nurse Staffing Act Compliance
- Nationally Reportable Incidents and Early Warning Notifications to WG.
- Review and Monitoring of regulation 28 with HM Coroner
- Responsible for PSOW actions and liaison with PSOW office.
- Lead Executive for relationship with HIW

Revisions in January 2026

- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies.
- Safeguarding Adults and Children including Prevent

Executive Director of Finance, Capital and Support Services and Deputy CEO

- NHS Wales Statutory Financial Duties and requirements
- Professional leadership of Finance staff

- Financial Planning (Revenue and Capital)
- Financial Management, Monitoring and Reporting
- Financial Systems and Controls
- Provision of Financial Services to Directorates
- Procurement including tenders and post tender negotiations. Liaison with Shared Services to enable delivery of robust procurement services.
- Counter Fraud including PPV.
- Liaison with External Financial Auditors
- Charitable Funds Accounting
- Health and Care Research Wales financial arrangements including accounts.
- Asset Accounting
- Preparation of Annual Accounts
- Continuing Healthcare and Funded Nursing Care – financial authorisation
- Strategic oversight Capital and Estates
- Facilities and Support Services
- Logistics
- Fire Safety
- Agile working

Revisions in January 2026

- The Health Service Procurement (Wales) Act 2024 and The Health Services (Provider Selection Regime) (Wales) Regulations 2025
- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies including NHS Wales Performance and Improvement.
- Deputy Chief Executive – deputising as appropriate for the CEO as agreed
- Health and Safety (estate and support service related)
- Foundational Economy
- Continuing Healthcare and Funded Nursing Care – financial authorisation up to £250k

Executive Director of Allied Health Professions Health Sciences and Digital

- Medical Devices including implementation and compliance with Medical Device safety Alerts.
- Professional Allied Health professionals and Healthcare Sciences and Social Workers: Leadership; Standards; Education; Point of Care Testing; and Regulation and Revalidation
- Data quality and clinical coding
- Delivery of Information management and Technology Strategy and Services
- Provision of Clinical Information Systems - hosting and enabling connectivity. This does not include system administration or management.

- Provision of ICT management systems
- Business Intelligence systems
- Provision of ICT infrastructure and telephony

Revisions in January 2026

- Senior Information Risk Owner (SIRO)
- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies including Digital Health and Care Wales.

Executive Director Public Health

- Health Improvement Strategy (as part of overarching health and care strategy)
- Health Needs Assessment
- Public Health Planning
- Public Health Initiatives linked to the NHS Wales Delivery Framework.
- Stop Smoking
- Vaccination and Immunisation
- Flu
- Obesity
- Screening
- Professional Public Health Workforce: Standards; Education; and Regulation
- Outbreak Control
- Public Health Monitoring and Surveillance
- Provision of Public Health Advice
- Production of Director of Public Health Annual Report
- Executive lead for Armed Forces and Veterans
- Civil Contingency, Emergency Planning, Business Continuity
- Executive lead for Prudent Health and Care
- Executive lead for the Well-being of Future Generations Act
- Strategic lead for co-ordination of RPB/PSB
- Carers

Revisions in January 2026

- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies including Public Health Wales.
- Health Impact Assessment (Wales) Regulations 2025.
- Executive lead for the Well-being of Future Generations Act (ED Planning, Performance and Commissioning is the lead relating to the planning cycle)

Executive Director of People, Culture and Transformation

- Professional Workforce and Organisational Development Workforce: Standards; Education; and Regulation

- Employment and staff relations
- Workforce Planning
- Workforce Policies and Practices
- Employee Health and Well-being including the provision of Occupational Health Services
- Employee Engagement
- Trade Union partnership arrangements
- Employee Record Management
- Workforce Information Management Systems
- Values and Standards of Behaviour Framework
- Raising Concerns
- Barring and Disclosure Arrangements
- Equality and Diversity & Human Rights
- Welsh Language provision
- Executive Lead for Violence & Aggression
- Volunteering
- Hosting arrangements – Health and Care Research Wales
- Wellbeing Guardian
- Speaking Up Safely Exec Lead
- Library Services

Revisions in January 2026

- Working Carers
- Co-ordination of medical student placements
- Health and Safety (workforce related areas)
- Organisational transformation including Better Together programme and executive leadership of the Transformation and Improvement department
- North Powys Wellbeing Programme
- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies including NHS Employers and HEIW.
- Hosting arrangements – Health and Care Research Wales (with support from Director of Corporate Governance)

Executive Director of Primary Care, Community and Mental Health

- Planned care and specialties.
- Learning Disability Services
- Mental Health Services (including CAMHS)
- Palliative Care Services
- Rehabilitation Services
- Intermediate Care Services
- Diabetes Services
- Respiratory Conditions Services
- Older Peoples Services
- Unscheduled Care
- Diagnostic Services

- Continuing Healthcare and Funded Nursing Care – Strategic and operational application
- Meeting of Access Targets / Referral to Treatment Times – Powys provider services
- Oversight of the performance of Ambulance Services
- Pathways of Care Delays
- Medicines Management [in conjunction with the Medical Director – professional]
- Site Coordination
- Primary Care
- Primary Care Out of Hours arrangements, including 111
- Primary care development including Clusters (with support from Executive Medical Director)
- Primary Care contractor performance management, including accreditation of enhanced services (with support from Executive Medical Director)
- Removal of violent patients from GMS Services
- Pain Management Services / Powys Living Well service.
- Stroke and Neurological Services
- Responsible Officer - Cottage View

Revisions in January 2026

- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies.
- Responsible Officer - Cottage View (discharged through Assistant Director – Community Services Group)

Executive Director of Commissioning, Performance & Planning

- Commissioning development, monitoring and performance monitoring across the organisation
- Performance management across the organisation, including the development and implementation of the Integrated Quality and Performance Framework and integrated reporting.
- Meeting of Access Targets/ Referral to Treatment Times – commissioned services
- Executive lead for commissioning relationship with WHSCC and EASC
- Executive lead for liaison and engagement with third sector
- Executive lead for Planning (strategic and operational), including strategic planning with key partners, and partnership working.
- Executive lead for the organisation's longer-term strategy, including its transition into a clinical service plan.
- Continuous engagement and consultation and liaison with Llais on those matters relating to service change (supported by the Deputy Director of Engagement, Communication and Corporate Governance).

- Board level lead for service change and public consultation (supported by the Deputy Director of Engagement and Communication).
- Compliance with national guidance on service delivery change - engagement and consultation
- Continuous engagement and consultation and liaison with Llais on those matters relating to service change.

Revisions in January 2026

- Executive Lead for the development and monitoring of the organisation's Integrated Medium-Term Plan/Integrated Plan
- Organisational oversight of Regional Committees (lead for Southeast) and support to the PTHB Chair for the Southwest Committee
- (ED planning, Performance and Commissioning is the lead relating to the planning cycle) Executive lead for the Strategy Well-being of Future Generations Act
- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies.

Director of Corporate Governance/ Board Secretary

- Professional advice to the Chair, CEO and Board on all matters relating to corporate governance
- Risk Management Framework
- Board Assurance Framework
- Board and Committee Arrangements and Annual Work Programme
- Board Development Programme
- Production of the Annual Governance Statement and Coordination of the Annual General Meeting
- Compliance with Standing Orders including delivery of the Board governance structure
- Legislation and Legal Services / provision of legal advice
- Use of the Common Seal
- Register of Interests and Gifts and Hospitality
- Policies Management
- Internal and External Audit Liaison
- Public inquiries, including COVID-19
- Board level lead for the Health Board's Charity
- Information Governance
- Records Management Framework
- Intellectual Property Rights and Commercialisation
- Corporate Communications
- Corporate Business support to the executive team, Chair, Vice Chair and Independent Members

Revisions in January 2026

- Oversight and resourcing of corporate engagement (Board level lead for Strategic Engagement sits with Executive Director of Planning)
- Strategic partnership and stakeholder management in relation to portfolio including all professional groups, Powys County Council, Welsh Government and other NHS bodies.
- Information Governance and GDPR
- Corporate Policies Framework and Management

STAFF AND STAFF ENGAGEMENT

The Local Partnership Forum is a formal advisory group providing opportunity for two-way discussion and collaboration between staff and the Health Board management, ensuring action is considered and taken in response to feedback. Engagement with staff side has been key to ensuring collaboration on a range of staffing and well-being initiatives.

A summary of activity includes:

- Executive Director of People and Culture reports and workforce performance reports including:
 - A Great Place to Work
 - Employee Health and Wellbeing
 - Welsh Language, Equalities
 - All Wales Job Descriptions
 - All Wales Anti-Sexual Harassment Policy
 - All Wales Flexible Working Policy
 - Employment Rights Bill
 - National Position on Pay Ballots
 - Aspiring Nurse Programme
 - Internationally Educated Nurses
 - Health Care Support Workers
 - Student Placements
 - Leadership and Management Competence Framework for NHS Wales
 - Cardiff University (Nursing Degree Course)
 - The NHS Business Services Authority (NHSBSA)
 - NHS Wales Shared Service Partnership: International Recruitment
 - Workforce Futures – Partnership
 - Workforce HR business partners and workforce resourcing
 - Transformation and Sustainability of our Workforce
 - National Work Programmes in place
 - Review of Statutory and Mandatory Training
 - Audit Wales report: Addressing workforce challenges in NHS Wales
 - Clinical Leadership Immersive Programme
 - The Strategic Nursing Workforce Plan 2025-2030
 - Speaking up safely

- Library Services Update
 - Reverse Mentoring
- NHS Staff Survey results for the Health Board
- Better Together Portfolio Update including Temporary Service changes
 - Staff Engagement
 - Programme updates
 - Potential implications for the future workforce
- Finance Reports including financial recovery
- Admin Review update
- Integrated Plan – Focus on Workforce Elements
- Social Partnership Annual Report
- Final Annual Plan 2025/26
- 2026/27 Integrated Annual Plan
- Collective Agreement on Registrant CPD Hours
- Achievements over the past year (Capital Group)
- Achievements over the past year (Estates)
- Approved Annual Plan 2025/26
- Discussion on various topics including Band 2 and Band 3 Nursing Workforce and Speaking Up Safely

INFORMATION GOVERNANCE & RECORDS MANAGEMENT

Information Governance (IG) sets out how the Health Board ensures that personal and sensitive information relating to patients, service users, staff and corporate activity is managed lawfully, securely and effectively.

Robust IG arrangements are supported through clear leadership, accountability and professional oversight, including:

- A dedicated Information Governance Team providing leadership, coordination and assurance.
- A Caldicott Guardian safeguarding patient information.
- A Senior Information Risk Owner (SIRO) overseeing information risk.
- A Data Protection Officer providing independent assurance and advice on compliance.
- A Chief Clinical Information Officer ensuring alignment between clinical requirements and digital systems.
- Digital leadership teams working in partnership with IG to ensure compliance with UK GDPR, NIS Regulations and wider standards.
- Information Asset Owners (IAOs) across all services, accountable for the information assets they manage.
- IG and Records Management and Digital Governance groups providing oversight, professional advice and assurance across digital and information initiatives.
- Active participation in NHS Wales IG and Records Management networks to support consistency and shared learning.

DELIVERY AND ASSURANCE

The Information Governance Team provides assurance, oversight and operational delivery across records management, freedom of information and data protection compliance. This includes ensuring the lawful and appropriate use, sharing, retention and protection of information; managing information rights and requests; overseeing information risk and incidents; and embedding data protection principles across the organisation through policies, training, contracts and professional advice.

Assurance is provided through:

- Formal reporting to the Audit, Risk and Assurance Committee and annual completion of the NHS Wales Information Governance Toolkit.
- A comprehensive IG framework, including an annual workplan, policy suite, Information Asset Register (incorporating Records of Processing Activities), and maintained IG and Records Management webpages.
- Oversight of mandatory Information Governance, Records Management and Cyber Security training, including monitoring compliance, targeted follow-up, role-specific training and staff alerts.
- Investigation, management and reporting of IG incidents, including escalation to the ICO where required, and the promotion of learning and continuous improvement.
- Routine monitoring of access to clinical systems through the National Intelligent Integrated Audit Solution (NIIAS).
- Assurance of new and existing digital systems to embed data protection by design and default.
- Delivery of Data Protection Impact Assessments (DPIAs) and support for lawful and secure data sharing arrangements.
- Ongoing engagement with services, governance forums and external partners across NHS Wales.

As of 31 March 2026, mandatory training compliance was 81%, below the NHS Wales benchmark of 85%. Improvement actions remain in progress, alongside continued alignment with the NHS Wales national IG and Records Management support framework.

PERSONAL DATA INCIDENTS

Personal data incidents are reviewed daily in line with UK GDPR requirements. Significant incidents are reported to the ICO within statutory

timescales. During 2025/26, five incidents were reported to the ICO, with no further action required.

A total of 230 IG-related incidents were recorded, representing an increase on the previous year. The majority were low-level issues, such as misdirected emails or records management errors, with no major incidents identified. Enhanced data quality checks introduced during the year improved incident detection and categorisation and may have contributed to this increase.

FREEDOM OF INFORMATION

During 2025/26, the Health Board received 514 Freedom of Information requests, with 475 completed within statutory timescales. Six internal reviews and five Environmental Information Regulation requests were also received and responded to appropriately. This reflects a 7.5% increase compared with the previous year. Information continues to be proactively published through the Health Board's website and Publication Scheme.

REQUESTS FOR PERSONAL INFORMATION

During 2025/26, the Health Board processed 852 requests for personal information, the majority being Subject Access Requests, alongside a small number of other UK GDPR rights-based requests. All requests were handled in line with statutory requirements, clinical obligations and records management legislation. This represents a 4.6% increase compared with the previous year.

WELSH IG TOOLKIT

The Health Board met the submission deadline for the 2025/26 NHS Wales Information Governance Toolkit. The outcome demonstrated a good level of assurance, supported by an agreed improvement plan that will continue into 2026/27.

DATA PROTECTION OFFICER

The Data Protection Officer provides independent advice and oversight on data protection and confidentiality compliance, with key areas including information sharing and privacy risk management. IG performance and emerging risks are overseen through the Executive Committee and the Audit, Risk and Assurance Committee.

PLANNING ARRANGEMENTS

The organisation's planning arrangements in 2025/2026 form a key part of the Performance Report section of the Annual Report. Further detail can be found throughout the Performance Report.

DISCLOSURE STATEMENTS

Equality, Diversity, and Inclusion

The organisation's approach to Equality, Diversity, and Inclusion in 2025/2026 forms a key part of the organisations work. The Equalities, Diversity and Inclusion Annual Report 2025/2026 will be considered for approval at Board in July 2026 and then published to the Health Board's website where the 2024/2025 Report can be found - [Equality - Powys Teaching Health Board \(nhs.wales\)](https://www.nhs.uk/health-board/equality-diversity-and-inclusion-annual-report-2024-2025)

Pensions Scheme

I can confirm that 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, employers' contributions and payments into the Scheme are in accordance with Scheme rules and that the member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations. Note 9.7 to the Annual Accounts provides details of the scheme, how it operates and the entitlement of employees.

Carbon Reduction Delivery Plans

As referenced on page 56 the Health Board has a Decarbonisation Action Plan which sets out how the Health Board will deliver against national commitments and our locally let priorities.

The organisation has undertaken risk assessments and is planning to ensure that the organisation's obligations under the Climate Change Act and Adaptation Reporting requirements are complied with. During 2025/26, the organisation was compliant with its requirements.

Data Security

A summary in relation to personal data incidents which required formal reporting to the Information Commissioner's Office (ICO) is provided on page 147 of this report. Five personal data incidents were reported.

Quality of Data used by the Board

The Health Board continually reviews the quality of data that it is using within the organisation including for decision making and assurance at Board level. Each distinct data quality strand within the organisation is reviewed regularly, spanning key domains such as finance, operations, workforce, quality, and safety. However, it is a continuous process spanning an array of data systems and datasets including new systems being implemented. The Health Board also receives data quality reports from system suppliers and is subject to a number of external reviews that feature data quality assessments as part of the review. The annual performance report provides a summary of the key performance measures, and challenges specifically for the Ministerial priorities, but detailed commentary of the issues, actions and mitigations taken in relation to each of the measures within the framework is included in the Integrated Performance Reports to PTHB Board. This information is available on the PTHB Website at <https://pthb.nhs.wales/about-us/health-board-performance/> via The Board meeting papers.

MINISTERIAL DIRECTIONS AND WELSH HEALTH CIRCULARS

Welsh Government has issued a number of Ministerial Directions in 2025/26. A record of the Ministerial Directions given is available via the following link: [Health and social care | Topic | GOV.WALES](#). A record of the Welsh Health Circulars given is available via the following link: [Health circulars: 2024 to 2027 | GOV.WALES](#)

Receipt of Welsh Health Circulars are logged, and a lead Executive Director identified to oversee the implementation of the required action or to develop the required response. The Audit, Risk and Assurance Committee received regular update reports on the implementation status of Welsh Health Circulars. From this work it was evidenced that the Health Board was not impeded by any significant issues in implementing the actions required. This work is overseen by the Director of Corporate Governance / Board Secretary.

Appendices 2a/2b (pages 167 and 178) provide an overview of Ministerial Directions and Welsh Health Circulars received during 2025/26 and their implementation status as of March 2026.

Post Payment Verification

In accordance with the Welsh Government directions the Post Payment Verification (PPV) Team, (a role undertaken for the Health Board by the NHS Shared Services Partnership), in respect of General Medical Services Enhanced Services and General Ophthalmic Services has carried out its work under the terms of the service level agreement (SLA), and in accordance with NHS Wales agreed protocols. The Work of the PPV Team is reported to the Board's Audit, Risk and Assurance Committee with papers available on the Health Board's [website](#).

REVIEW OF EFFECTIVENESS OF SYSTEM OF INTERNAL CONTROL

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors, and the executive officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The Board receives assurance on the effectiveness of the system of internal control from a number of internal and external sources, these include:

- Risk Management and Board Assurance Frameworks;
- Delivery of Internal and External Annual Audit Plans;
- Audit Wales Structured Assessment;
- Audit Tracking;
- Local Counter Fraud and Post Payment Verification Activity;
- Independent inspections and regulation, provided for example by Health Inspectorate Wales;
- Engagement with Commissioners;
- Engagement with staff, patients, and other key stakeholders;
- Welsh Government review and advisement; and
- the Committees of the Board, in particular the Audit, Risk and Assurance Committee.

INTERNAL AUDIT

Internal Audit provides me as Accountable Officer and the Board through the Audit, Risk 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, Risk and Assurance Committee and is focussed on significant risk areas and local improvement priorities.

The Head of Internal Audit Annual Opinion provides assurance on governance, risk management and the system of internal control and is based on the risk-based audit programme. The opinion contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement. A summary of the Head of Internal Opinion 2025/2026 is provided below.

Head of Internal Audit Opinion for 2025/2026

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.

The Head of Internal Audit Opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control for 2025/2026 is set out below:

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

The plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit, Risk and Assurance Committee (the 'Committee'). In addition, regular audit progress reports have been submitted to the Committee. Although changes have been made to the plan during the year, we can confirm that we have

undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the GIAS.

The Internal Audit Plan for 2025/26 year, was presented to the Committee in March 2025. Changes to the plan have been made during the year and these changes have been reported to the Committee as part of our regular progress reporting.

Summary of Internal Audits 2025/26

The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Overall, we can provide the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the substantial and reasonable areas in the table below.

Where we have given Limited or Unsatisfactory Assurance, management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where it is appropriate to do so.

In addition, we also undertook advisory and non-opinion reviews to support our overall opinion. A summary of the audits undertaken in the year and the results are set out below:

Substantial Assurance	• Staff Development Programme • Primary Care - Clusters Project Management • Catering Services – Food Safety Standards
Reasonable Assurance	• Duty of Candour • Continuing Healthcare • MH and LD Triage and Assessment Process • Core Financials – General Ledger Management & Accounts Receivable • Decontamination • Clinical Supervision • Anti-Racism Action Plan • Policy Management • North Powys Integrated Wellbeing Hub • Risk Management & Assurance

	• Estates Assurance Asbestos Management • Mortality Reviews • Budget Setting • Vaccine Storage (Draft)
Limited Assurance	• Digital Systems Uptake
Advisory/Non-Opinion	• Follow-up DoLS • Mattresses Follow-up

Limited Assurance Reviews

One Limited assurance rated reviews had been received during 2025/2026. The report was in respect of:

- Digital Systems Update

The full report was reported to the Audit, Risk and Assurance Committee on 13 January 2026 and can be found at: [Agenda and papers - Audit, Risk and Assurance Committee-13 January-2026](#)

The audit report raised one high priority and four medium priority actions, these related to defining benefits with benefits realisation plans, ensuring appropriately defined training needs, ensuring a change management framework is in place, tracking system uptake and analysing causes of low uptake. All actions have been progressed.

All Limited Assurance Rated Reviews are reported to Welsh Government on a quarterly basis in addition to our own internal reporting and monitoring arrangements.

The Audit and Risk Assurance Committee receive regular reports on progress being made against audit recommendations for all internal audits, with specific focus on those with limited assurance.

COUNTER FRAUD

In line with the Government Functional Standard 013 Counter Fraud NHS Requirements the Local Counter Fraud Specialist (LCFS) and Executive Director of Finance agreed a work plan for 2025/26 at the beginning of the financial year. This was approved by the Audit, Risk and Assurance Committee.

The Functional Standards require each health body to produce a written work plan outlining the LCFS' projected duties for the year. The 2025/26 work plan, agreed by both the Director of Finance and Audit Committee, took due account of the work required to ensure consistent and effective

implementation and delivery of the newly introduced Functional Standards. It was designed to ensure a holistic risk-based approach to counter fraud work within the Health Board with work split between proactive and reactive counter fraud activity. Flexibility contained in the work plan allowed high-risk work to be undertaken urgently and dynamically.

As part of the quality assurance process, NHS organisations in Wales are required to complete a self-review of their progress in implementing the Standards. NHS Wales have adopted the Government Functional Standards on Counter Fraud (NHS Requirements) to replace NHS Counter Fraud Authority's (NHS CFA) 'NHS Counter Fraud Standards (Wales)'. At the conclusion of 2025/26 the Health Board Standards are assessed as 7 Green rated, 4 Amber rated and 2 Red rated. This year's overall rating is classed as Amber.

Work Plan actions are included in the 2026/27 workplan to address the Amber and Red area's and aimed to uplift back to Green rating.

The Health Board contracts Swansea Bay UHB via Service Level Agreement for the provision of Counter Fraud Resource. This results in 1.2 FTE of accredited counter fraud specialist resource supplemented by 0.2 FTE admin support which translate to 308 days deliverable for counter fraud activity. This SLA arrangement remains in place for 2026/27.

AUDIT WALES STRUCTURED ASSESSMENT

The Auditor General for Wales is the Health Board's statutory external auditor, and the Wales Audit Office undertakes audits on his behalf. The Structured Assessment enables the Auditor General to be satisfied proper arrangements have been made to secure economy, efficiency, and effectiveness in the use of resources.

The 2025 Structured Assessment took place at a time when NHS bodies were continuing to respond to a broader set of challenges associated with the need to modernise and transform services to deal with constrained finances, growing demand, treatment backlogs, workforce shortages, and an ageing estate. It is therefore more important than ever for the boards of NHS bodies to have strong corporate and financial governance arrangements in place. This helps provide assurance to themselves, the public, and key stakeholders that they are taking the right steps to deliver safe, high-quality services and to use public money wisely.

Some relevant extracts from the report are included below:

The Board and its committees run effectively and transparently. Meetings are well managed, and information continues to be of a good standard. There remains a continued commitment to hearing from patients and service users and Board walkarounds have developed positively.

Performance reporting continues to be good and escalation arrangements have worked well for services which have been subject to them. Producing plans and strategies remains a collaborative effort and there is evidence the Health Board is mapping partnership working more effectively. However, the Health Board would benefit from ensuring the Integrated Quality Report presents a clearer narrative and ensuring greater clarity on the links between corporate plans. Although the Health Board has recently developed its risk management process, the current risk register arrangements would benefit from review to ensure a clearer distinction between strategic and operational risks.

The Health Board's financial position continues to be of concern. A substantial year-end deficit is forecast for 2025-26 and delivery of the Health Board's current savings plan remains a challenge. Both the Board and Welsh Government were unable to approve the Health Board's Annual Plan due to the financial position. The Health Board continues to have a good understanding of its cost pressures but moving to a more affordable service model is being affected by delays with the implementation of the 'Better Together' transformation model due to complexity and resource capacity.

Audit Wales made seven recommendations based on the 2025 work in relation to clarifying referrals in committee action logs, further refining the strategic and organisational risk registers, updating the format of the Integrated Quality Report, more clearly linking corporate plans, including actual savings to date in finance reports, reporting activity and impacts of financial working groups, and arranging further financial training for Independent Members. All these actions have either been completed or are well progressed.

The Structured Assessment was reported to the Audit, Risk and Assurance Committee on 10 March 2026 and to the Board on the 25 March 2026 and can be found on the Health Board's website: [25 March 2026 - Powys Teaching Health Board agenda-pack-part-2/](#) on pages 146 to 179.

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 already in place which meet the Code's commitments:

- We follow the All-Wales procedure for staff to raise concerns (Whistleblowing), 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 University 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 do not engage or employ staff on zero hours' contracts;
- We have an Equality, Diversity and Human Rights Policy in place 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. We also require confirmation and assurances that they do not make use of blacklist/prohibited list information;
- In accordance with Transfer of Undertaking (Protection of Employment) Regulations any Health Board staff member 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. Further detail on this area of work is available at: [Ethical Employment & TISC Reports \(Transparency in Supply Chains\) - NHS Wales Shared Services](#)

Partnership

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.

CONCLUSION

As Accountable Officer for Powys Teaching Health Board, 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, including its Executive Directors, are alert to their accountabilities in respect of internal control and the Board has had in place, during the year, a system of providing assurance aligned to corporate objectives to assist with identification and management of risk. As a result of a number of complex pressures including demand for our services, system pressures, cost of living and inflation as well as national and international economic and other pressures, Powys Teaching Health Board's status increased from Level 3, Enhanced Monitoring to Level 4, Targeted intervention for Finance, Strategy and Planning on the 5 November 2024. Having been in Level 3 since July 2023.

During 2025/2026, we proactively identified areas requiring improvement and commissioned an external review to undertake detailed assessments in order to manage and mitigate associated risks. Further work will be undertaken in 2026/2027 to ensure implementation of recommendations arising from both internal audit and external reviews. Work will continue in 2026/2027 to continue to embed risk management and the assurance framework across the organisation. Implementation of the Board's Annual Governance Programme will see a further maturing of the Board's effectiveness and the system of internal control in 2026/2027.

This Annual Governance Statement confirms that Powys Teaching Health Board has continued to mature as an organisation and, whilst there are areas for strengthening, no significant internal control or governance issues have been identified. The Board, including the Executive Team, has had in place a sound and effective system of internal control that provides regular assurance aligned to the organisation's strategic priorities and strategic risks. Together with the Board and Director of Corporate Governance / Board Secretary, I will continue to drive improvements and will seek to provide assurance for our citizens and stakeholders that the services we provide are efficient, effective, and appropriate, and are designed to meet patient needs and expectations.

SIGNED BY:

H Thomas .

DATE: 26 JUNE 2026

**HAYLEY THOMAS
CHIEF EXECUTIVE**

Appendix 1: Board and Board Committee Membership - and Attendance at Board (2025-26)

Name	Position and Area of Expertise	Board and Board Committee Membership	Attendance 2025-26	Board Champion Role
Carl Cooper	Chair	Chair of the Board	7/7	Speaking Up Safely
		Chair of Board In-Committee	8/8	
		Chair of the Charitable Funds Committee	5/5	
		Chair of the Remuneration and Terms of Service Committee	4/4	
		Finance and Performance Committee (attended to ensure quorum)	1/1	
Ronnie Alexander	Independent Member [General]	Member of the Board	4/7	
		Member of Board In-Committee	5/8	
		Member of the Audit, Risk and Assurance Committee	5/6	
		Chair of the Delivery and Performance Committee then Finance and Performance Committee	6/6	
		Member of Planning, Partnerships and Population Health Committee	4/4	
Rhiannon Beaumont-Wood	Vice-Chair (from 09.02.2026)	Vice Chair of the Board	1/1	
		Vice-Chair of the Board In-Committee	1/1	
		Vice Chair of the Remuneration and Terms of Service Committee	0/1	

Steve Elliot	Independent Member [Finance]	Member of the Board Member of Board In-Committee	7/7 7/8	
		Chair of the Audit, Risk and Assurance Committee	6/6	
		Delivery and Performance Committee then Finance and Performance Committee	5/6	
		Member of the Planning, Partnerships and Population Health Committee (from May 2025)	3/3	
		Member of the Remuneration and Terms of Service Committee	4/4	
		Member of Pharmaceutical Applications Committee	1/1	
Michael Giannasi	Independent Member (Directly Appointed to 30.09.2025. Independent Member from 01.10.2025)	Member of the Board Member of Board In-Committee	6/7 7/8	
		Member of the Delivery and Performance Committee (to May 2025)	0/1	
		Member of the Audit, Risk and Assurance Committee (from June 2025)	2/5	
		Member of the Patient Experience, Quality and Safety Committee (from June 2025)	3/3	
Rhobert Lewis	Independent Member [General]	Member of the Board Member of Board In-Committee	6/7 7/8	Innovation Research and Development
		Chair of the Planning, Partnerships and Population Health Committee	3/4	
		Member of the Delivery and Performance Committee then Finance and Performance Committee	5/6	
		Member of the Audit, Risk and Assurance Committee (from June 2025)	4/5	
		Remuneration and Terms of Service Committee (attended to ensure a quorum)	1/1	

Jennifer Owen-Adams	Independent Member [Third Sector]	Member of the Board Member of Board In-Committee	5/7 4/8	
		Member of the Patient Experience, Quality and Safety Committee	4/4	
		Chair of the People and Culture Committee	3/4	
		Member of the Planning, Partnerships and Population Health Committee	4/4	
		Member of the Remuneration and Terms of Service	2/4	
Cathie Poynton	Independent Member [Trade Union]	Member of the Board Member of Board In-Committee	5/7 5/8	
		Member of the People and Culture Committee	3/4	
		Member of the Charitable Funds Committee	5/5	
		Member of the Delivery and Performance Committee then Finance and Performance Committee	6/6	
Ian Thomas	Independent Member	Member of the Board Member of Board In-Committee	7/7 7/8	
		Member of Audit, Risk and Assurance Committee (from June 2025)	5/5	
		Member of the People and Culture Committee	4/4	
		Member of the Charitable Funds Committee	5/5	
		Member of Patient Experience, Quality and Safety Committee	3/4	
Chris Walsh	Independent Member [Local Authority]	Member of the Board Member of Board In-Committee	4/7 5/8	
		Member of People and Culture Committee	2/4	
		Member of Audit, Risk and Assurance Committee (to May 2025)	1/1	
		Member of Patient Experience, Quality and Safety Committee (from June 2026)	2/3	
		Member of Charitable Funds Committee	4/5	

Kirsty Williams	Vice Chair (to 30.09.2025)	Vice Chair of the Board Vice-Chair of the Board In-Committee	3/3 4/4	Infection Prevention and Control
		Chair of the Patient Experience, Quality and Safety Committee	2/2	Armed Forces and Veterans
		Vice Chair of the Remuneration and Terms of Service Committee	2/2	
		Member of the Delivery and Performance Committee then Finance and Performance Committee	3/3	Mental Health
		Member of the Planning, Partnerships and Population Health Committee (attended to ensure a quorum)	1/1	Children and Young People
		Member of the Audit, Risk and Assurance Committee (from June 2026)	2/3	
Simon Wright	Independent Member [University]	Member of the Board	5/7	Infection Prevention and Control
		Member of Board In-Committee	5/8	
		Member of the Delivery and Performance Committee then Finance and Performance Committee (from June 2025)	3/3	Armed Forces and Veterans
		Member of People and Culture Committee	3/4	
		Vice-Chair of the Planning, Partnerships and Population Health Committee (to May 2025)	1/1	Mental Health
		Vice-Chair of the Patient Experience, Quality and Safety Committee (Chair from 01.10.2025)	2/4	(From 01.10.2025)
		Chair of Pharmaceutical Applications Committee	1/1	

Hayley Thomas	Chief Executive	Board	7/7	
		Board In-Committee	8/8	
		Remuneration and Terms of Service Committee	2/4	
		Committees attended: Audit, Risk and Assurance Committee	5/6 3/6	
		Delivery and Performance Committee then Finance and Performance Committee	2/4 2/4 1/4	
Mererid Bowley	Executive Director of Public Health	Patient Experience, Quality and Safety Committee		Emergency Planning
		People and Culture Committee		
		Planning, Partnerships and Population Health Committee		
Pete Hopgood	Executive Director of Finance, Estates and Support Services	Board	7/7	
		In-Committee	8/8	
		Audit, Risk and Assurance Committee	6/6	
		Charitable Funds Committee	5/5	
	Deputy Chief Executive	Delivery and Performance Committee then Finance and Performance Committee	6/6	

Nicola Johnson	Executive Director of Planning, Performance and Commissioning	Board Board In-Committee	5/7 6/8	
		Delivery and Performance Committee then Finance and Performance Committee	3/6	
		Planning, Partnerships and Population Health Committee	3/4	
Elaine Lorton	Executive Director of Primary, Community Care & Mental Health	Board Board In-Committee	7/7 8/8	
Claire Madsen	Executive Director of Allied Health Professions, Health Science and Digital	Board Board In-Committee	7/7 8/8	
		Charitable Funds Committee	2/4	
Claire Roche	Executive Director of Nursing, Quality, Women and Family Health (to 05.10.2025)	Board Board In-Committee	3/3 4/4	Children and Young People Putting Things Right
		Patient Experience, Quality and Safety Committee	2/2	
Paul Hooton	Executive Director of Nursing, Quality, Women and Family Health (from 06.10.2025)	Board Board In-Committee	4/4 4/4	Children and Young People Putting Things Right
		Patient Experience, Quality and Safety Committee	2/2	

Debra Wood-Lawson	Executive Director of People & Culture (to 15.12.2025) Executive Director of People, Culture & Transformation (from 16.12.25)	Board Member of Board In-Committee	7/7 8/8	Health and Safety and Fire Safety Equality
		People and Culture Committee	4/4	
Kate Wright	Executive Medical Director	Board Board In-Committee	7/7 8/8	Caldicott Guardian
Helen Bushell	Director of Corporate Governance / Board Secretary	Board Board In-Committee	7/7 8/8	Counter Fraud
		Charitable Funds Committee	4/4	
		Audit Risk and Assurance Committee	6/6	
		Delivery and Performance Committee then Finance and Performance Committee	4/6*	
		Patient Experience, Quality and Safety Committee	3/4*	
		Planning, Partnerships and Population Health Committee	1/4*	
		People and Culture Committee	3/4*	

*All meetings are attended by the Board Secretary or, in their absence, the Deputy Board Secretary, to ensure appropriate governance advice is provided.

Executive Director attendance is provided where the Executive Director is a Lead Officer at a Committee. Other Executive Directors or deputies attend Committee meetings as required.

APPENDIX 2A: WELSH HEALTH CIRCULARS 2025/2026 (APRIL 25 – MARCH 26)

Welsh Health Circular	Date/Year of Adoption	Action to Demonstrate Implementation/Response	Status
2022/019 Non-Specialised Pediatric Orthopedic Services	2022	The Provider shall provide assurance that Welsh Health Guidance is being adhered to by signposting the Commissioner to relevant Provider Board reports and policy updates	Complete
2022/006 Direct Paramedic referral to same day emergency care	2022	PTHB has confirmed with Welsh Government and WAST that in the absence of Type 1 urgent care services, this action is not directly applicable to Powys. Outside of this barrier, a number of actions have been taken. Although not relevant we have reviewed our own services and updated and enhanced some of our flow actions.	Closed
2022/022 Role of the Community Dental Service and Services for vulnerable people	2022	Expansion of salaried roles to support GDS, 1.0 WTE SDO approved and 1.) WTE band 5 dental nurse subject to successful recruitment - Recruitment of 0.2 WTE level 2 DES in special care dentistry - Increased paediatric sedation workforce by 0.2 WTE to reduce waiting times for paediatric referrals - Frailty dental nurse recruited and in post - Endodontic consultant in post - Paediatric consultant to start 1st April 2026	Complete

2023/003 Guideline for the Investigation of Moderate or Severe early developmental impairment or intellectual disability	2023	It has been confirmed that PTHB Community Pediatricians are using EDI guidelines in terms of assessment and first line investigations although North Powys patients' genetics go to the Birmingham lab.	Partially Complete
2023/006 Commencement of the Health and Social Care (Quality and Engagement) (Wales) Act 2020	2023	Action in Progress	Partially Complete
2024/005 Private obesity surgery and the Welsh NHS	2024	Action in Progress	Partially Complete
2024/002 Standards for Competency Assurance of Non-Medical Prescribers in Wales	2024	PTHB has strengthened its arrangements for Non-Medical Prescribing. The policy was formally consulted on in July 2025 and provides a clear framework. A local implementation plan is in place, developed with HEIW support, and routine engagement continues with all-Wales NMP leads to ensure consistency. All NMPs are required to maintain an up-to-date annual scope of practice, evidence of ongoing competency, and undergo regular appraisal and prescribing review in line with the policy. A centrally maintained NMP register and defined processes for approval, return-to-practice and change in scope provide organisational assurance. These arrangements ensure that PTHB is on track to deliver full compliance by 31st March 2026.	Not Yet Due

2024/011 Changes to dietary advice on feeding young children aged 1-5 years	2024	Some focused work is planned to be undertaken with Paediatric Dietetics in Q1 and 2 of 2026/27.	Not Yet Due
2024/012 Nursing Preceptorship & Restorative Clinical Supervision - A National Position Statement	2024	An annual rolling programme is mandated for all newly qualified nurses and is offered to all new starters in PTHB including AHP's. Attendance by our 'grow your own' staff/students has increased and is being demonstrated as beneficial f across all fields of Nursing. We await the All-Wales Preceptorship policy and workbook from the Education Leads group, based on PTHB's workbook described as an exemplary version.	Partially Complete
2024-016 Healthy Child Wales Programme for school aged children	2024	PTHB continues to participate in the national work supporting the delivery of the framework. Workforce requirements remain a challenge as there remains an absence of consensus across Wales with regards to caseload numbers. PTHB continues their development programme of supporting more nurses to become Specialist Community Public Health Nurses, School Age Children. Continue actions to increase resilience of a programme for children educated other than school.	Partially Complete
2024/024 Implementation the agreed approach to preventing Violence and Aggression towards NHS staff in Wales	2024	All actions completed	Complete
2024/035 Standardising the management of acute	2024	NEWS2 has been fully implemented in physical health inpatient wards. Training has been completed to 93% with local plans to reach 95% in place for	Partially Complete

deterioration		Q4. The local policy has been reviewed for a second time with the implementation of NEWS2 across NHS Wales to ensure that the policy is aligned.	
2024/040 Adopting a patient and family-initiated escalation approach	2024	Action in Progress	Partially Complete
2024/042 Introduction of the 'Dictionary of Medicine and devices	2024	PTHB will meet these requirements through procurement and implementation of the BetterMeds ePMA system, which is built natively on dm+d and therefore enforces compliance by design. The BetterMeds rollout is scheduled to commence in March 2026, with phased implementation and full completion by July 2026.	Partially Complete
2024/030 Published Weight Management Medication Pathway	2024	Weight Management Medications are now available through the Powys Living Well Service to people who meet phase 1 or 2 of the priority guidance.	Partially Complete
2024/044 Mandatory E-Learning Module – Anti-Racism	2024	E learning module is now live on ESR, and compliance is being monitored as part of our workforce performance reporting. Recommendation to close.	Complete
2025/005 Climate Emergency Leadership Day and adaption	2025	Work programme being led by Environment Team who have developed in conjunction with other Health Boards a common overarching Risk Register. Department-level risk assessments will sit underneath and are being completed through bespoke workshop sessions to be run across 2026 by the Environment Team.	Complete

2025/004 NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2025/26	2025	Superseded by WHC 2026 014	Closed
2025/002 Timelines and responsibilities for Early Warning Scores (EWS)	2025	NEWS2 has been fully implemented in physical health inpatient wards. Training has been completed to 93% with local plans to reach 95% in place for Q4. In addition, NEWS2 will be implemented in District Nursing in Q4, training is at 90% for this area.	Partially Complete
2025/007 Amendments following interim review to the Model Standing Orders for Local Health Boards, NHS Trusts, and Special Health Authorities in Wales	2025	Action completed and Standing Order amendments approved at the March 2025 Board meeting.	Complete
2024/015 People's Experience Framework and People's Experience Survey	2024	A standardised People's Experience survey has been embedded as the primary mechanism for capturing feedback, with core questions and equality monitoring in place to support consistency and comparability across NHS Wales.	Partially Complete
2025/026 NHS Wales National Clinical Audit Annual Rolling Programme for 2025/26	2025	All audits are resourced appropriately.	Not Yet Due
2025/006 Recording of Mental Health Outcome	2025	Work in progress.	Not Yet Due

Measures			
2025/010 Arrangements for the prescribing of antiviral and neutralising monoclonal antibody treatments for COVID-19.	2025	Updated national arrangements for COVID-19 therapeutics, aligning with NICE guidance. COVID-19 treatments are now managed through primary care, with nirmatrelvir/ritonavir (Paxlovid®) as first-line therapy and molnupiravir as second line where clinically appropriate. Both medicines are prescribed on WP10 and supplied via community pharmacies.	Complete
2025/011 Introduction of the NHS Wales digital health identity standard for primary care	2025	Practice processes in place, linked to contract obligations	Complete
2025/016 Update on NHS Wales vaccination programme against respiratory syncytial virus (RSV)	2025	RSV programme implemented from September 2025 to all eligible groups.	Complete
2025/017 Tranexamic Acid use: Recommendation 7a of the Infected Blood Inquiry (IBI)	2025	Procedures in Powys will not be for those for which TXA is routinely indicated. It was reviewed and actioned.	Complete
2025/018 Tirzepatide (Mounjaro®) for the management of obesity and overweight	2025	Tirzepatide (Mounjaro®) is being made available in line with the relevant Welsh Health Circular and NICE guidance, recognising the approved extended implementation period. Access within PTHB is through Health Board-run Living Well Clinics,	Complete

		ensuring prescribing is limited to the eligible cohort of patients and delivered within a structured, multidisciplinary weight-management pathway.	
2025/019	2025	Changes implemented. Immunisation Coordinator worked with Child Health team and GP practices to manage the changes.	Complete
Changes to the routine childhood vaccination schedule and to the selective hepatitis B vaccination programme from 01 July 2025			
2025/012	2025	Action completed and Standing Order amendments approved at the July 2025 Board meeting.	Complete
SFI - Changes to Public Procurement reform			
2025/021	2025	We cannot offer vaccinations at all in Sexual Health currently. The vaccination team are aware as challenges have been highlighted aligned to the provision of Mpox vaccination. All our patients who may require any vaccination (Hep B, HPV etc.) are currently signposted out to level 3 services which is reflected in our SOP	Complete
Introduction of routine vaccination programmes for the prevention of mpox and gonorrhoea			
2025/020	2025	Central Procurement of Flu programme implemented across Powys with primary Care contractors.	Complete
The National Influenza Immunisation Programme 2025/26			
2025/023	2025	Action completed.	Closed
PPE Stockpile volumes in Wales			
2025/022	2025	Covid-19 programme was delivered. Campaign ends 31 January 2026	Complete
National COVID-19 Vaccination Programme			

2925/008 Introduction of a National Mandatory License scheme for special procedures in Wales	2025	Powys County Council have implemented and established processes for the statutory guidance to implement and approve the Licensing Scheme for special procedures. WHC distributed to GPs as independent practitioners/businesses.	Complete
2025/025 Overseas Visitors' Eligibility to receive free Primary Care	2025	Alert notification issued to all contractor professions on 11/07/26	Complete
2025/028 Expansion of the shingles immunisation programme for severely immunosuppressed individuals aged 18-49	2025	GP informed about expansion of programme and commenced implementation of call and recall for eligible patients from September 2025	Complete
2025/029 Introduction of Nirsevimab passive immunisation against Respiratory Syncytial Virus (RSV) in at risk infants for upcoming 2025/26 RSV season	2025	Action completed	Complete
2025/026 The safe and responsible adoption of ambient voice technologies (AI Scribes') in clinical and practice settings	2025	Initial scoping is still to be undertaken, need to wait until the WCCIS procurement has completed and determine functionality, we have included AVT as part of our specification.	No Progress

2025/038 All-Wales NHS Accessible Communication and Information Standards	2025	National conversations are ongoing as to how to monitor compliance with the standards and contractor expectations. Local implementation will follow.	No Progress
2025/034 Implementation of the Planned Care Referrals DSCN	2025	Planned Care Referrals are complete, and we are submitting the data through the switching service.	Complete
2025/037 Infected Blood Enquiry, Implementation of Recommendation 7e. Implementing SHOT reports.	2025	Actions in progress.	Partially Complete
2025/031 3Ps Waiting Well single point of contact (SPOC) activity and outcomes data reporting	2025	Waiting Well SPOC is due to be submitted from 1st April 2026. Working through data capture processes. On Track no issues forecast.	No Progress
2025/039 AMR & HCAI Improvement Goals for 2025-2027	2025	PTHB has an established Antimicrobial Stewardship governance structure aligned to the UK National Action Plan (NAP) and Welsh Health Circular requirements. An Antimicrobial Stewardship Group is in place and meets quarterly. Regular audit and feedback cycles are embedded across primary and secondary care.	Complete
2025/043 New clinical pathway for treating and managing obesity	2025	PTHB has implemented the relevant clinical pathway for the treatment and management of obesity in line	Complete

		with NICE guidance and associated Welsh Health Circulars.	
2025/046 The introduction of a routine NHS varicella (chickenpox) vaccination programme for young children in Wales from 1 January 2026	2025	MMRV introduced 01 January 2026	Complete
2025/049 Development and Implementation of a Patient Travel Policy	2025	WHC has been implemented and is complete	Complete
2025/051 Safety netting discharge leaflets for adults and children	2025	The Children's safety netting information sheet has been shared with MIU's and Primary Care. There is a need to make this fit for Powys in particular the MIU's which is being worked through and anticipated to be ready to move forward in Q2. Digital and printed versions for distribution across settings will be provided.	Partially Complete
2025/054 A change of Vaccine product for the routine adult pneumococcal vaccine programme, and those with certain clinical risk conditions	2025	Implemented.	Complete

2025/055	2025	Allocation noted and being used to inform development of Financial Plan component of the Annual Plan for 2026/27	No Progress
2026-2027 Health Board Allocation			

APPENDIX 2B: MINISTERIAL DIRECTIONS 2025-26

Ministerial Directions (MDs)	Date/Year of Adoption	Action to demonstrate implementation/response	Status
WG24-01 Wales Eye Care Services-Directions 2024	2024	NWSSP are managing this process on behalf of Health Boards.	Complete
WG24-02 The National Health Service (Wales Eye Care Services) (Wales) Directions 2024	2024	WGOS 3 - 5 pathways implemented including patient redirection from secondary care for WGOS	Complete
WG24-17 Managed Introduction of New Medicines into the NHS in Wales directions 2009 (amendment Wales Directions 2024)	2024	Formulary Working Group processes are in place to add NICE Technology Appraisals to the PTHB formulary as they are published, in line with national timescales and any approved implementation extensions.	Complete
WG24-39 The Directions to Local Health Boards and NHS Trusts in Wales on the National Framework for Commissioning Care and Support 2024	2024	Action in Progress	Partially Complete
WG25-02	2025	Financial entitlement applied as per SFE statement	Complete

The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025			
WG25-03	2025	Financial entitlement applied as per SFE statement	Complete
The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2025			
WG25-07	2025	Financial entitlement applied as per SFE statement	Complete
The Directions to Local Health Boards as to General Dental Services Statement of Financial Entitlements (Amendment No 3) Directions 2025			
WG25-08	2025	Financial entitlement applied as per SFE statement	Complete
The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment No 3) Directions 2025			
WG25-12	2025	Only applicable to Velindre NHS Trust	Closed
The Wales Infected Blood Support Scheme (Amendment) Directions 2025			

WG25-17	2025	Action complete	Complete
Directions to the Local Health Boards as to the Statement of Financial Entitlements (Amendment No 2) Directions 2025			
WG25-28	2025	All practices currently participating in old DES and LES have been served notice for PTHB to withdraw on 31/03/26. Consulting with practices for signing up to new DSS specification for implementation from 01/04/26.	Partially Complete
The Primary Medical Services (Minor Surgery) (Directed Supplementary Services) (Wales) Directions 2025			
WG25-30	2025	Financial entitlement applied as per SFE statement	Complete
The Primary Care (Contracted Services: Immunisations) Influenza Directions 2025			
WG25-33	2025	Financial entitlement applied as per SFE statement	Complete
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) No 3 Directions 2025			
WG25-38	2025	Financial Entitlement applied as per SFE statement	Complete
Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2025			

WG25-39 Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 5) Directions 2025	2025	Payments implemented as part of GMS contract payment agreements.	Complete
WG25-40 The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) (Amendment) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete
WG25-44 The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No.4) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete
WG25-45 The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No.4) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete

WG25-56 The Primary Medical Services (People Living with Severe Frailty in their own Homes) (Directed Supplementary Service) (Wales) Directions 2025	2025	Not required to implement the DSS as already covered in Community Resource Team/Virtual Ward LSS. Welsh Government aware.	Complete
WG25-72 The Primary Care (Contracted Services: Outpatients Waiting Lists First Appointment Scheme) Directions 2025	2025	Patient lists prepared and Expressions of interest being sought from practices. Planned go-live date 01/02/26	Partially Complete
WG25-84 Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 6) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete
WG25-85 Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2026	2025	Financial entitlement applied as per SFE statement	Complete

WG25-88 Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 7) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete
WG25-91 The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No. 5) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete
WG25-92 The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No. 5) Directions 2025	2025	Financial entitlement applied as per SFE statement	Complete

PART B: REMUNERATION AND STAFF REPORT 2025/26

This report contains information about the remuneration of senior management, fair pay ratios, sickness absence rates etc and has been compiled by the Directorate of Finance, Capital & Support Services and the People and Culture Directorate

Background

The remuneration and staff report sets out the organisation's remuneration policy for Executive Directors and senior managers, reports on how that policy has been implemented and sets out the amounts awarded to Executive Directors and senior managers and where relevant the link between performance and remuneration. The Treasury's Government Financial Reporting Manual (FReM) requires that a Remuneration Report shall be prepared under the headings in SI2008 No 410 to the extent that they are relevant. The definition of "Senior Managers" for these purposes 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 Executive Directorates or departments."

This section of the Accountability Report meets these requirements.

The Remuneration and Terms of Service Committee

Remuneration and terms of service for Executive Directors, Very Senior Managers and the Chief Executive are agreed and kept under review by the Remuneration and Terms of Service Committee. The Committee also seeks assurance in relation to the annual performance of the Chief Executive and individual Executive Directors (the latter with the advice of the Chief Executive).

In 2025/2026, the Remuneration and Terms of Services Committee was chaired by the Health Board's Chair, Carl Cooper, and the membership included the following Independent Members:

- Kirsty Williams, Vice Chair of the Board (to 30/09/2025)
- Steve Elliot, Independent Member (Finance)
- Jennifer Owen Adams, Independent Member (Third Sector)
- Rhiannon Beaumont-Wood, Vice-Chair of the Board (from 09/02/2026)

Meetings are minuted and decisions fully recorded.

The meeting is attended by the Chief Executive, Executive Director of People and Culture and Director of Corporate Governance / Board Secretary with appropriate corporate governance support.

Independent Members' Remuneration

Remuneration for Independent Members is decided by the Welsh Government, which also determines their tenure of appointment.

Executive Directors' and Independent Members' Remuneration

Details of Directors' and Independent Members' remuneration for the 2025-26 financial year, together with comparators are given in the Tables below. The norm is for Executive Directors and Senior Managers salaries to be uplifted in accordance with the Welsh Government identified normal pay inflation percentage. In 2025-26, Executive Directors received a pay inflation uplift, in-line with Welsh Government's Framework.

The Chief Executive sets objectives with Executive Directors and assesses performance against those objectives when considering recommendations in respect of annual pay uplifts. Assurance in relation to performance is provided to the Remuneration and Terms of Service Committee. It should be noted that Executive Directors are not on any form of performance related pay. All contracts are permanent with a three-month notice period. Conditions were set by Welsh Government as part of the NHS Reform Programme of 2009.

Table 1: Salary and Pension Disclosure Table: Salaries and Allowances, Single Total Figure of Remuneration

Name and Title	2025-26						2024-25					
	Salary	Bonus Payments	Taxable Benefits (Note 4)	Pension Benefits	Single Total Remuneration	Other Remuneration	Salary	Bonus Payments	Taxable Benefits (Note 4)	Pension Benefits	Single Total Remuneration	Other Remuneration
	(bands of £5,000)	(bands of £5,000)	(to nearest £100)	(to nearest £1000)	(bands of £5,000)	(bands of £5,000)	(bands of £5,000)	(bands of £5,000)	(to nearest £100)	(to nearest £1000)	(bands of £5,000)	(bands of £5,000)
	£000	£000	£00	£000	£000	£000	£000	£000	£00	£000	£000	£000
Executive Directors												
Hayley Thomas - Chief Executive (Note 1)	180 - 185	0	23	53	235 - 240	0	175 - 180	0	12	54	235 - 240	0
Stephen Powell - Interim Director of Planning, Performance and Commissioning (from 17th July 2023 to 20th October 2024)	0	0	0	0	0	0	65 - 70	0	0	0	65 - 70	0
Pete Hopgood - Director of Finance, Information and IT Services and Interim	140 - 145	0	11	120	265 - 270	0	130 - 135	0	57	68	205 - 210	0

Deputy Chief Executive (to 16th May 2024) and Deputy Chief Executive, Executive Director of Finance, Capital and Support Services and Interim Executive Director of Primary Care (to 29th September 2024) and Director of Finance, Capital and Support Services and Deputy Chief Executive (from 30th September 2024) (Notes 1 and 7)												
Debra Wood Lawson - Director of Workforce and OD (to 30th April 2024), Director of People and Culture (from 1st May 2024 to 15th December 2025 and Director of People, Culture and Transformation (from 16th December 2025) (Notes 1, 9 and 10)	130 - 135	0	16	48	180 - 185	0	120 - 125	0	12	149	270 - 275	0

Kate Wright - Medical Director	160 - 165	0	0	54	215 - 220	0	155 - 160	0	0	56	210 - 215	0
Claire Madsen - Director of Therapies and Health Sciences including Health and Safety and Support Services (to 30th April 2024) and Director of Allied Health Professions, Health Sciences and Digital (from 1st May 2024) (Note 10)	130 - 135	0	0	56	185 - 190	0	130 - 135	0	0	99	230 - 235	0
Mererid Bowley - Director of Public Health	135 - 140	0	0	49	180 - 185	0	130 - 135	0	0	64	195 - 200	0
Claire Roche - Director of Nursing and Midwifery (to 30th April 24) and Director of Nursing, Quality, Women and Family Health (from 1st May 2024 to 5th October 2025) (Notes 1, 2 and 8)	65 - 70	0	12	0	70 - 75	0	125 - 130	0	16	100	225 - 230	0
Helen Bushell - Director of Corporate	110 - 115	0	17	31	145 - 150	0	105 - 110	0	12	32	140 - 145	0

Governance and Board Secretary (Note 1)												
Joy Garfitt - Interim Director of Operations, Community Care and Mental Health (to 30th September 2024) (Notes 1, 3 and 6)	0	0	0	0	0	0	100 - 105	0	5	0	100 - 105	0
David Farnsworth - Interim Director of Operations, Community Care and Mental Health (to 2nd June 2024) (Note 3)	0	0	0	0	0	0	20 - 25	0	0	0	20 - 25	0
Nicola Johnson - Director of Planning, Performance and Commissioning (from 7th October 2024) (Note 10)	130 - 135	0	0	149	280 - 285	0	60 - 65	0	0	50	110 - 115	0
Elaine Lorton - Director of Primary, Community Care and Mental Health (from 30th September 2024) (Notes 1 and 10)	120 - 125	0	46	67	195 - 200	0	60 - 65	0	19	21	80 - 85	0

Paul Hooton - Director of Nursing, Quality, Women and Family Health (From 6th October 2025) (Notes 1, 2, 8 and 11)	65 - 70	0	14	4	70 - 75	0	0	0	0	0	0	0
Associate Members												
Nina Davies – Interim Director of Social Services and Housing, Powys County Council	0	0	0	0	0	0	0	0	0	0	0	0
Chair of Healthcare Professional Forum (TBC)	0	0	0	0	0	0	0	0	0	0	0	0
Chair of Stakeholder Reference Group (TBC)	0	0	0	0	0	0	0	0	0	0	0	0
Non-Officer Members												
Carl Cooper - Chair (Note 12)	45 - 50	0	0	0	45 - 50	0	40 - 45	0	0	0	40 - 45	0
Kirsty Williams - Vice Chair (To 30th	15 - 20	0	0	0	15 - 20	0	30 - 35	0	0	0	30 - 35	0

September 2025) (Note 2)												
Rhiannon Beaumont-Wood - Vice Chair (from 9th February 2026) (Note 2 and 12)	5 - 10	0	0	0	5 - 10	0	0	0	0	0	0	0
Ian Phillips - Independent Member (ICT - to 22nd August 2024)	0	0	0	0	0	0	0 - 5	0	0	0	0 - 5	0
Cathie Poynton - Independent Member (Trade Union)	0	0	0	0	0	0	0	0	0	0	0	0
Rhobert Lewis - Independent Member (General) (Note 12)	5 - 10	0	0	0	5 - 10	0	5 - 10	0	0	0	5 - 10	0
Ronnie Alexander - Independent Member (General) (Note 12)	5 - 10	0	3	0	5 - 10	0	5 - 10	0	2	0	5 - 10	0
Chris Walsh - Independent Member (Local Authority) (Note 12)	5 - 10	0	0	0	5 - 10	0	5 - 10	0	0	0	5 - 10	0
Jennifer Owen Adams -	5 - 10	0	0	0	5 - 10	0	5 - 10	0	0	0	5 - 10	0

Independent Member (Third Sector) (Note 12)												
Simon Wright - Independent Member (University) (Note 12)	5 - 10	0	3	0	5 - 10	0	5 - 10	0	7	0	10 - 15	0
Michael Giannasi - Independent Member (Capital and Estates - from 26th February 2024) (Notes 5 and 12)	5 - 10	0	1	0	5 - 10	0	10 - 15	0	3	0	10 - 15	0
Steve Elliot - Independent Member (Finance - from 17th April 2024) (Note 12)	5 - 10	0	3	0	5 - 10	0	5 - 10	0	5	0	5 - 10	0
Ian Thomas - Independent Member (General - from 6th January 2025) (Note 12)	5 - 10	0	2	0	5 - 10	0	0 - 5	0	0	0	0 - 5	0

Note 1: Please note that the salary for Pete Hopgood excludes £3,000 in relation to a leased car (in 2024/25 the figure was £10,000), the salary for Claire Roche excludes £4,000 in relation to a leased car (in 2024/25 the figure was £8,000), the salary for Debra Wood Lawson excludes £8,000 in relation to a leased car (in 2024/25 the figure was £8,000), the salary for Joy Garfitt in 2024/25 excludes £4,000, the salary for Helen Bushell excludes £9,000 in relation to a leased car (in 2024/25 the figure was £9,000), the salary for Elaine Lorton excludes £8,000 in relation to a leased car (in

2024/25 the figure was £4,000), the salary figure for Hayley Thomas excludes £9,000 (in 2024/25 the figure was £6,000) and the salary figure for Paul Hooton excludes £2,000.

Note 2: Please note that the full year equivalent salary banding, in bands of £5,000, for starters and leavers during 2025/26 was as follows; Claire Roche £140,000 - £145,000, Paul Hooton £135,000 - £140,000, Kirsty Williams £35,000 - £40,000 and Rhiannon Beaumont-Wood £35,000 - £40,000

Note 3: David Farnsworth was appointed on an interim basis to cover for Joy Garfitt during a period of absence from work

Note 4: This includes both benefits in kind and other taxable benefits on items such as mileage claims where payments have been made above the agreed HMRC rate of £0.45 pence per mile

Note 5: The salary figure for 2024/25 includes arrears pay of £1,000 for 2023/24

Note 6: The salary figure includes £10,000 which was paid in 2025/26 for annual leave days not taken

Note 7: Pete Hopgood held the accountability for Primary Care until the 29 September 2024 when the substantive Director was appointed.

Note 8: There was a period of handover between Claire Roche and Paul Hooton. Paul Hooton started on 29/09/2025 and Claire Roche left on 10/10/2025. Claire Roche handed over Board member responsibility to Paul Hooton as of 06/10/2025

Note 9: The salary figure includes arrears pay of £3,000 for 2024/25

Note 10: The salary banding includes a deduction for purchase of additional annual leave, the salary banding before this deduction was Claire Madsen £135,000 - £140,000, Debra Wood-Lawson £135,000 - £140,000, Elaine Lorton £125,000 - £130,000 and Nicola Johnson £135,000 - £140,000

Note 11: The salary banding includes a payment of £2,000 in relation to relocation expenses

Note 12: The salary banding includes an amount in relation to changes to remunerations rates for NHS Wales Public Appointees which were announced in April 2026 but will be implemented from 1st January 2025. The payment will be made in 2026/27

The value of pension benefits is calculated as follows: (real increase in pension* x20) + (real increase in any lump sum*) – (contributions made by member) to the single total figure is calculated using a similar method to that used to derive pension values for tax purposes and is based on information received from NHS BSA Pensions Agency.

The remuneration report now contains a Single Total Figure of remuneration; this is a different way of presenting the remuneration for each individual for the year. The table used is similar to that used previously, and the salary and benefits in kind elements are unchanged. The amount of pension benefits for the year which contributes to the single total figure is calculated using a similar method to that used to derive pension values for tax purposes and is based on information received from NHS BSA Pensions Agency.

The Single Total Figure of remuneration is not an amount which has been paid to an individual by the THB 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 person's 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.

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. The 2025-26 financial year is the fifth-year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

		2025-26	2025-26	2025-26		2024-25	2024-25	2024-25
		£	£	£		£	£	£
Total pay and benefits		Chief Executive	Employee	Ratio		Chief Executive	Employee	Ratio
	25th percentile pay ratio	192,500	29,876	6.5:1		187,500	28,468	6.7:1
	Median Pay	192,500	38,852	5.0:1		187,500	37,030	5.1:1

	75 th percentile pay ratio	192,500	49,805	3.9:1	187,500	49,254	3.8:1
Salary component of total pay and benefits	25th percentile pay ratio	192,500	29,876		187,500	28,468	
	Median Pay	192,500	38,852		187,500	37,030	
	75 th percentile pay ratio	192,500	49,805		187,500	49,254	
		Highest Paid Director	Employee	Ratio	Highest Paid Director	Employee	Ratio
Total pay and benefits	25th percentile pay ratio	192,500	29,876	6.5:1	187,500	28,468	6.7:1
	Median Pay	192,500	38,852	5.0:1	187,500	37,030	5.1:1
	75 th percentile pay ratio	192,500	49,805	3.9:1	187,500	49,254	3.8:1
Salary component of total pay and benefits	25th percentile pay ratio	192,500	29,876		187,500	28,468	
	Median Pay	192,500	38,852		187,500	37,030	
	75 th percentile pay ratio	192,500	49,805		187,500	49,254	

In 2025-26, 5 (2024-25, 6) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £24,833 to £210,813 (2024-25, £23,970 to £221,386).

The all staff range includes directors with the exception of the highest paid CEO Director as appropriate and excludes the non-executive directors and excludes pension benefits of all employees

There has been an increase in year in the median remuneration of the workforce, which was mainly the result of all staff receiving a 3.6% consolidated pay uplift in year. There has been a decrease in the pay ratio which is attributable to the increase in the chief executive / highest paid director salary being less than the increase in the employee median salary. The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

Percentage Changes

		2024-25 to 2025-26 %	2023-24 to 2024-25 %
% Change from previous financial year in respect of Chief Executive	Salary and allowance	3	6
	Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director	Salary and allowance	3	6
	Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees takes as a whole	Salary and allowance	5	2
	Performance pay and bonuses	0	0

Table 2: Salary and Pension Disclosure table: Pension Benefits

	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 Mar 2026	Lump sum at pension age related to accrued pension at 31 Mar 2026	Cash Equivalent transfer value at 31 Mar 2026	Cash Equivalent transfer value at 31 Mar 2025	Real increase in Cash Equivalent transfer value	Employer's contribution to stakeholder pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)				
Name and title	£000	£000	£000	£000	£000	£000	£000	£000
Hayley Thomas *	2.5 - 5.0	0.0 - 2.5	65 - 70	155 - 160	1,426	1,326	54	0
Pete Hopgood *	5.0 - 7.5	10.0 - 12.5	60 - 65	150 - 155	1,425	1,252	133	0
Debra Wood- Lawson	2.5 - 5.0	0.0	45 - 50	0	890	808	51	0
Kate Wright *	2.5 - 5.0	0.0 - 2.5	45 - 50	100 - 105	1,073	977	60	0
Claire Madsen	2.5 - 5.0	2.5 - 5.0	55 - 60	140 - 145	1,392	1,284	69	0
Mererid Bowley *	2.5 - 5.0	0.0 - 2.5	50 - 55	120 - 125	1,159	1,068	56	0
Claire Roche*and**	0.0	0.0	45 - 50	135 - 140	0	0	0	0
Helen Bushell	0.0 - 2.5	0.0	10 - 15	0	196	160	20	0
Nicola Johnson	7.5 - 10.0	12.5 - 15.0	50 - 55	135 - 140	1,270	1,070	164	0
Elaine Lorton	2.5 - 5.0	2.5 - 5.0	35 - 40	90 - 95	852	757	66	0
Paul Hooton	0.0 - 2.5	0.0 - 2.5	20 - 25	60 - 65	535	498	10	0

* These officers are affected by the Public Service Pensions Remedy and their membership between 1st April 2015, and 31st March 2022 was moved back into the 1995/2008 Scheme on 1st October 2023. Negative values are not disclosed in this table but are substituted with a zero.

** Member claiming pension as at 31st March 2026

The above calculations are provided by the NHS Pensions Agency and are based on the standard pensionable age for the relevant pension scheme. The calculations are based upon the annual salary after the pay award for 2025/26 was granted in February 2026.

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

Cash Equivalent Transfer Values (CETV)

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 members' 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 the 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.

Real Increase in CETV

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 pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff Numbers

Number of Employed Staff

As at 31 March 2026, the Health Board employed a total of 2,130.41 Whole Time Equivalents (WTE). This includes 67.27 WTE Health Care Support Workers (HCSWs) participating in the Aspiring Nurse programme, of which 40.63 WTE are undertaking training and 26.64 WTE are deployed within ward and community settings.

The table below sets out the WTE staff employed by the Health Board in 2024/25 and 2025/26, analysed by staff group. This excludes the hosted service, Health and Care Research Wales.

Staff Group	2024/25	2025/26
Add Prof Scientific and Technic	83.21	96.64
Additional Clinical Services	431.13	449.16
Administrative and Clerical	576.84	568.50
Allied Health Professionals	162.24	173.06
Estates and Ancillary	165.81	162.99
Healthcare Scientists	10.21	10.21
Medical and Dental	39.55	38.29
Nursing and Midwifery Registered	595.15	629.56
Students	1	2.00
Grand Total	2065.15	2130.41

Overall, the Health Board recorded an increase of 65.26 WTE staff during 2025/26 compared to 2024/25.

Despite this growth, recruitment to certain clinical roles remains challenging, resulting in continued reliance on variable pay.

There has, however, been a positive increase of 34.41 WTE in Registered Nurse staffing. This has contributed to a reduction in ward-based Registered Nurse vacancy levels, with the overall vacancy rate (excluding absence) decreasing from 19% at March 2025 to 14% at March 2026.

The Health Board has also continued to develop the Aspiring Nurse programme to support the development of an internal workforce pipeline and address workforce deficits. (The reported vacancy rates exclude Aspiring Nurses.)

Staffing composition

As of 31 March 2026, the Health Board employed 2,569 substantive employees (excluding bank workers) which equated to 2130.41 WTE. The number (headcount) of female and male employees of the Health Board are as follows:

	Female	Male
Headcount	2,172	397
Percentage	84%	16%

Of this staffing composition, at 31 March 2026, the Executive Team consisted of ten members of the Board (inclusive of the Chief Executive Officer).

The Director of Corporate Governance/Board Secretary (a non-voting member of Board) is a member of the Executive Team and is included in the staffing composition below:

	Female	Male
Headcount	9	2
Percentage	90%	10%

Sickness Absence Data

Information on sickness absence for 2024/2025 and 2025/2026 is provided within the table below:

Staff Group	2024/25	2025/26
WTE Days Lost Long Term	28,817.04	32,119.69
WTE Days Lost Short Term	10,689.17	9,825.11
Total WTE DaysLost	39,506.21	41,944.79
Total Staff Years (AVG WTE Staff Absent)	108.24	114.19
Average Working DaysLost	19.32	21.45
Total Staff Employed in Period (Headcount)	2,445	2,578
Total Staff Employed in Period with no Absence (Headcount)	951	1058
Percentage of Staff with no Sick Leave	39%	41%

The Health Board's overall rolling sickness absence rate for 2025/26 was 5.44% compared to 5.29% in 2024/25.

Staff Policies

Powys Teaching Health Board maintains a comprehensive framework of workforce policies which are developed, reviewed and agreed in partnership with recognised Trade Union representatives.

The Health Board is committed to ensuring that its employment practices are fair, inclusive and compliant with the Equality Act 2010 and the Public Sector Equality Duty. Equality Impact Assessments are undertaken, as appropriate, in the development and review of policies to ensure that

potential impacts on individuals with protected characteristics are identified and addressed.

The Health Board has arrangements in place to:

- Ensure fair and equitable consideration of applications for employment from disabled persons.
- Support employees who become disabled during their employment, including through reasonable adjustments and access to training and development.
- Promote equality of opportunity in training, career development, and progression.

Relevant All Wales policies, including those relating to recruitment and attendance management, support these arrangements and ensure a consistent and equitable approach to employment practices across the Health Board.

OTHER EMPLOYEE MATTERS

Health and Safety Sub-Committee

Governance Development

During 2025/26, the Health Board strengthened its governance arrangements through the transition from the former Health and Safety Group to a formal Health and Safety Committee, established as a sub-committee of the Executive Team and chaired by the Chief Executive.

This change has enhanced:

- Clarity of roles, responsibilities and accountabilities;
- Executive oversight and leadership of health and safety;
- The robustness of assurance, reporting and escalation arrangements;
- Alignment with statutory requirements and NHS Wales governance expectations.

The establishment of the Committee has supported a more structured and consistent approach to the management of health and safety risks, strengthening internal controls and providing improved assurance to the Executive Team and Board.

Purpose

The Committee's primary role is to provide strategic oversight and assurance that:

- Appropriate systems are in place to manage health and safety risks;
- Statutory and regulatory requirements are met;
- Organisational arrangements support a positive and effective health and safety culture.

Key Areas of Oversight

The Committee's work is focused on providing assurance in relation to:

- Risk Management and Control - Oversight of key health and safety risks and the effectiveness of mitigation and control measures;
- Performance and Assurance - Monitoring of organisational performance through established indicators, including incident reporting, compliance, and audit activity;
- Workforce Capability - Assurance regarding training, competence, and the development of a positive safety culture;
- Policies and Systems - Approval and oversight of health and safety policies and supporting frameworks;
- Organisational Learning - Scrutiny of incident reporting, investigation, and the embedding of learning across the organisation.

The Committee receives regular reports from directorates and specialist safety groups to support this assurance role.

Assurance and Effectiveness

The Committee operates within a defined governance framework and reporting structure, enabling effective oversight and escalation of risks where required.

There was no enforcement action from the Health and Safety Executive during the reporting period.

Future Focus

The Committee will continue to:

- Strengthen assurance arrangements and reporting;
- Support continuous improvement in risk management and organisational learning;

Embed a proactive and positive health and safety across the Health Board.

Expenditure on Consultancy

As disclosed in note 3.3 (page 30) of its financial statements, the Health Board spent £1.486M on consultancy services during 2025/26 compared to £0.479M in 2024/25.

Off Payroll Engagement

For all off-payroll engagements as of 31 March 2026, for more than **£245** per day:

	Number
No. of existing engagements as of 31 March 2026	3
Of which, the number that have existed:	0
for less than one year at time of reporting.	0
for between one and two years at time of reporting.	0
for between two and three years at time of reporting.	0
for between three and four years at time of reporting.	0
for four or more years at time of reporting.	3

	Number
Number. of new engagements, between 1 April 2025 and 31 March 2026	0
Of which...	
<i>No. assessed as caught by IR 35</i>	0
<i>No. assessed as not caught by IR 35</i>	<5
<i>No. engaged directly (via PSC contracted to department) and are on the departmental payroll.</i>	0
<i>No. of engagements reassessed for consistency / assurance purposes during the year</i>	0
<i>No. of engagements that saw a change to IR35 status following the consistency review</i>	0

Number of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed "board members, and/or senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements.	0

Numbers that are between 1 and 4 are referred to as less than 5 (<5) to protect the potential identification of individuals.

There have been no off payroll engagements of Board Members and/or senior officials with significant financial responsibility between 1 April 2025 and 31 March 2026.

Exit Packages and Severance Payments

This disclosure reports on the number and value of exit packages taken by staff leaving in the year. This disclosure is required to strengthen accountability in the light of public and Parliamentary concern about the incidence and cost of these payments.

Exit packages cost band (including any special payment element)				
Exit package Cost band	Number of compulsory redundancies (Whole numbers only)	Number of other departures (Whole numbers only)	Total number of exit packages (Whole numbers only)	Number of departures where special payments have been made (Whole numbers only)
less than £10,000	1	0	0	0
£10,000 to £25,000	0	0	0	0
£25,000 to	1	0	0	0

£50,000				
£50,000 to £100,000	0	0	0	0
£100,000 to £150,000	0	0	0	0
£150,000 to £200,000	0	0	0	0
more than £200,000	0	0	0	0
Total	2	0	0	0

Redundancy and other departure costs if paid would have been paid in accordance with the provisions of the NHS Agenda for Change Terms and Conditions and NHS Voluntary Early Release Scheme (VERS). Exit costs in this note are accounted for in full in the year of departure on a cash basis in this note as specified in EPN 380 Annex 13C.

Should the Health Board have agreed early retirements, the additional costs would have been met by the Health Board and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pension scheme and are not included in the table.

Regularity of Expenditure

Regularity is the requirement for all items of expenditure and receipts to be dealt with in accordance with the legislation authorising them, any applicable delegated authority, and the rules of Government Accounting. The Health Board ensures that the funding provided by Welsh Ministers has been expended for the purposes intended by Welsh Ministers and that the resources authorised by Welsh Ministers to be used have been used for the purposes for which the use was authorised.

The Health Board's Chief Executive is the Accountable Officer and ensures that the financial statements are prepared in accordance with legislative

requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, the Chief Executive is required to:

- observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
- prepare them on a going concern basis on the presumption that the services of the Health Board will continue in operation.

Fees and Charges

Where the Health Board undertakes activities that are not funded directly by the Welsh Government, the Health Board receives income to cover its costs which will offset expenditure reported under programme areas. Miscellaneous Income can be seen in Note 4 of the Annual Accounts. When charging for this activity the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance.

Compliance with Cost Allocation and Charging Requirements

Where the Health Board undertakes activities that are not funded directly by Welsh Government, the Health Board receives income to cover its costs, which will offset expenditure reported under programme areas. Miscellaneous Income can be seen in Note 4 of the Annual Accounts. When charging for this activity the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance.

Remote Contingent Liabilities

Remote contingent liabilities are made for three categories, comprising indemnities, letters of comfort and guarantees. The value of remote contingent liabilities for 2025-26 is £0.094m (2024-25 £0.110m) and is disclosed in note 21.2 of the Health Board's Annual Accounts.

PART C: SENEDD CYMRU/WELSH PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

This report contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury guidance, material remote contingent liabilities, long-term expenditure trends, and the audit certificate and report.

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Powys Teaching Health Board (PTHB) for the year ended 31 March 2026 under Section 61 of the Public Audit (Wales) Act 2004.

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

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

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

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

Opinion on regularity

In my opinion, except for the matter(s) 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 Powys Teaching Health Board's financial statements because the Health Board has breached its resource limit by spending £61.0m over the amount that it was authorised to spend in the three-year period 2023-2024 to 2025-2026. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page 209.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

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

Conclusions relating to going concern

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Powys Teaching 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 Report and other unaudited parts of the Accountability Report or the Annual Governance Statement.

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

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;

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

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities [set out on pages 73 and 75], 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 Powys Teaching 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 Powys Teaching 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 [audited entity's head of internal audit] and those charged with governance, including obtaining and reviewing supporting documentation relating to Powys Teaching Health Board 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 Powys Teaching Health Board's framework of authority as well as other legal and regulatory frameworks that the Powys Teaching 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 Powys Teaching Health Board
- Obtaining an understanding of related party relationships.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, those charged with governance and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Powys Teaching 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. 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 217.



Adrian Crompton
Auditor General for Wales
26 June 2026

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Report of the Auditor General to the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Powys Teaching Health Board's financial statements. I 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 2025-26, the Health Board failed to meet both the first and the second financial duty.

Failure of the first financial duty

The first financial duty gives additional flexibility to LHBs by allowing them to balance their income with their expenditure over a three-year rolling period (2023-2024 to 2025-2026 in this case).

Note 2.1 to the Financial Statements discloses that the Health Board did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £1,342.2 million by £61.0 million. 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. An LHB will be deemed to have met this duty for 2025-26 if it submitted a 2025 to 2028 plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan.

As shown in Note 2.3 to the Financial Statements, the Health Board did not have an approved three-year integrated medium-term plan in place for the period 2025 to 2028.



Adrian Crompton

Auditor General for Wales

26 June 2026

POWYS TEACHING HEALTH BOARD

FOREWORD

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

Statutory background

Powys Teaching Local Health Board was established under the Local Health Boards (Establishment) (Wales) Order 2003 (S.I. 2003/148 (W.18))

As a statutory body governed by Acts of Parliament the LHB is responsible for :

- agreeing the action which is necessary to improve the health and health care of the population of Powys;
- supporting and financing General Practitioner-led purchasing of the services needed to meet agreed priorities, including charter standards and guarantees;
- supporting and funding the contractor professions;
- the commissioning of health promotion, emergency planning and other regulatory tasks;
- the stewardship of resources including the financial management and monitoring of performance in critical areas;
- eliciting and responding to the views of local people and organisations and changing and developing services at a pace and in ways that they will accept;
- providing Hospital and Community Healthcare Services to the residents of Powys.

In addition, it is also responsible for hosting specific functions in respect of the accounts of the former Health Authorities mostly significantly in respect of clinical negligence. The LHB also hosts the functions of Health and Care Research Wales (HCRW).

Performance Management and Financial Results

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

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

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

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

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

	Note	2025-26 £000	2024-25 £000
Expenditure on Primary Healthcare Services	3.1	85,478	83,495
Expenditure on healthcare from other providers	3.2	266,566	246,036
Expenditure on Hospital and Community Health Services	3.3	171,197	151,717
		523,241	481,248
Less: Miscellaneous Income	4	(19,174)	(16,909)
LHB net operating costs before interest and other gains and losses		504,067	464,339
Investment Revenue	5	0	0
Other (Gains) / Losses	6	(10)	(9)
Finance costs	7	64	54
Net operating costs for the financial year		504,121	464,384

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 27.

The notes on pages 8 to 75 form part of these accounts.

Other Comprehensive Net Expenditure

	2025-26	2024-25
	£000	£000
Net (gain) / loss on revaluation of property, plant and equipment	(7,518)	(1,206)
Net (gain)/loss on revaluation of right of use assets	0	0
Net (gain) / loss on revaluation of intangible assets	0	0
Net (gain) loss on revaluation of financial assets	0	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	0	0
Net (gain)/loss on revaluation of financial assets held for sale	0	0
Impairment and reversals	0	0
(Gain)/Loss on other reserve movements	0	0
Transfers between reserves	0	0
Release of reserves to SoCNE	0	0
Transfers (to) / from other NHS Wales bodies	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0
Other comprehensive net expenditure for the year	(7,518)	(1,206)
Total comprehensive net expenditure for the year	496,603	463,178

The notes on pages 8 to 75 form part of these accounts.

Statement of Financial Position as at 31 March 2026

		31 March 2026 £000	31 March 2025 £000
	Notes		
Non-current assets			
Property, plant and equipment	11	109,628	109,189
Right of Use Assets	11.3	1,427	1,515
Intangible assets	12	227	154
Trade and other receivables	15	79	196
Other financial assets	16	0	0
Total non-current assets		111,361	111,054
Current assets			
Inventories	14	175	197
Trade and other receivables	15	9,021	10,991
Other financial assets	16	0	0
Cash and cash equivalents	17	846	629
		10,042	11,817
Non-current assets classified as "Held for Sale"	11	0	0
Total current assets		10,042	11,817
Total assets		121,403	122,871
Current liabilities			
Trade and other payables	18	(46,991)	(50,135)
Other financial liabilities	19	0	0
Provisions	20	(2,898)	(3,803)
Total current liabilities		(49,889)	(53,938)
Net current assets/ (liabilities)		(39,847)	(42,121)
Non-current liabilities			
Trade and other payables	18	(587)	(720)
Other financial liabilities	19	0	0
Provisions	20	(645)	(803)
Total non-current liabilities		(1,232)	(1,523)
Total assets employed		70,282	67,410
Financed by :			
Taxpayers' equity			
General Fund		23,208	16,781
Revaluation reserve		47,074	50,629
Total taxpayers' equity		70,282	67,410

The financial statements on pages 2 to 7 were approved by the Board on 24th June 2026 and signed on its behalf by:

Chief Executive and Accountable Officer *H Thomas* Date: 24th June 2026

The notes on pages 8 to 75 form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2026

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2025-26			
Balance as at 31 March 2025	16,781	50,629	67,410
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
Balance at 1 April 2025	16,781	50,629	67,410
Net operating cost for the year	(504,121)		(504,121)
Net gain/(loss) on revaluation of property, plant and equipment	0	7,518	7,518
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale	0	0	0
Net gain/(loss) on revaluation of financial assets held for sale	0	0	0
Impairments and reversals	0	0	0
Net gain/(loss) on other reserve movements	0	0	0
Transfers between reserves	11,073	(11,073)	0
Release of reserves to SoCNE	0	0	0
Transfers (to) / from other NHS Wales bodies	145	0	145
Reclassification adjustment on disposal of available for sale financial assets	0	0	0
Total recognised income and expense for 2025-26	(492,903)	(3,555)	(496,458)
Net Welsh Government funding	491,071		491,071
Notional Welsh Government Funding	8,259		8,259
Balance at 31 March 2026	23,208	47,074	70,282

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.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £8.254m
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.005m

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
Changes in taxpayers' equity for 2024-25			
Balance at 31 March 2024	10,514	49,585	60,099
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
Balance at 1 April 2024	10,514	49,585	60,099
Net operating cost for the year	(464,384)		(464,384)
Net gain/(loss) on revaluation of property, plant and equipment	0	1,206	1,206
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale	0	0	0
Net gain/(loss) on revaluation of financial assets held for sale	0	0	0
Impairments and reversals	0	0	0
Net gain/(loss) on other reserve movements	0	0	0
Transfers between reserves	162	(162)	0
Release of reserves to SoCNE	0	0	0
Transfers (to) / from other NHS Wales bodies	0	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0	0
Total recognised income and expense for 2024-25	(464,222)	1,044	(463,178)
Net Welsh Government funding	462,906		462,906
Notional Welsh Government Funding	7,583		7,583
Balance at 31 March 2025	16,781	50,629	67,410

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 1st April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply.

However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £7.579M
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.004M

[The notes on pages 8 to 75 form part of these accounts.](#)

Statement of Cash Flows for year ended 31 March 2026

		2025-26	2024-25
		£000	£000
Cash Flows from operating activities	Notes		
Net operating cost for the financial year		(504,121)	(464,384)
Movements in Working Capital	27	3,313	(888)
Other cash flow adjustments	28	26,401	15,481
Provisions utilised	20	(2,727)	(1,851)
Net cash outflow from operating activities		(477,134)	(451,642)
Cash Flows from investing activities			
Purchase of property, plant and equipment		(13,043)	(10,514)
Proceeds from disposal of property, plant and equipment		16	15
Purchase of intangible assets		(232)	0
Proceeds from disposal of intangible assets		0	0
Payment for other financial assets		0	0
Proceeds from disposal of other financial assets		0	0
Payment for other assets		0	0
Proceeds from disposal of other assets		0	0
Net cash inflow/(outflow) from investing activities		(13,259)	(10,499)
Net cash inflow/(outflow) before financing		(490,393)	(462,141)
Cash Flows from financing activities			
Welsh Government funding (including capital)		491,071	462,906
Capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		0	0
Capital element of payments in respect of on-SoFP PFI		0	0
Capital element of payments in respect of Right of Use Assets		(461)	(351)
Cash transferred (to)/ from other NHS bodies		0	0
Net financing		490,610	462,555
Net increase/(decrease) in cash and cash equivalents		217	414
Cash and cash equivalents (and bank overdrafts) at 1 April 2025		629	215
Cash and cash equivalents (and bank overdrafts) at 31 March 2026		846	629

The notes on pages 8 to 75 form part of these accounts.

Notes to the Accounts

1. Accounting policies

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

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

1.1. Accounting convention

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

1.2. Acquisitions and discontinued operations

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

1.3. Income and funding

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

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

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

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

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

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

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2025-26. From 1st April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

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

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

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

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use

- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1st April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

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

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- the intention to complete the intangible asset and use it.
- the ability to use the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it.
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.7.2 Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale,

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1st April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application the LHB has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by the LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The LHB will not apply IFRS 16 to any new leases of intangible assets, applying the treatment described in section 1.7 instead.

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16.

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 the LHB has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 The LHB as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The LHB employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

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

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

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

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

1.11.2 The LHB as lessor

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the LHB's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the LHB's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the LHB has a present legal or constructive obligation as a result of a past event, it is probable that the LHB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the LHB has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the LHB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2024-25 and 2025-26. The WRPS is hosted by Velindre University NHS Trust.

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

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

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

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

1.15. Financial Instruments

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

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

1.16. Financial assets

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

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

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

1.16.1. Financial assets are initially recognised at fair value

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

1.16.2. Financial assets at fair value through SoCNE

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

1.16.3 Held to maturity investments

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

1.16.4. Available for sale financial assets

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

1.16.5. Loans and receivables

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

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

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

At the SOFP date, the LHB assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

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

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the LHB not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The LHB accounts for all losses and special payments gross (including assistance from the WRP).

The LHB accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budgets

The NHS Wales organisation has/has not entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

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

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

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

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

1.24. Key sources of estimation uncertainty

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

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

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

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

1.24.1. Provisions

The LHB provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

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

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

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

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.26 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The LHB therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.26.1. Services received

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

1.26.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the LHB's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.26.3. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised.

Prior year treatment

It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

1.26.4 Impact of IFRS 16 on on-balance sheet PFI/PPP Schemes as from 1st April 2023.

On-balance sheet PPP arrangements should be based on IFRS 16 accounting principles from 2023-24.

When measuring the liability for on-balance sheet PPP contracts containing capital payments linked to a price index IFRS 16 requires that a lessee shall remeasure the lease liability where there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The lessee shall remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

Initial remeasurement - the future PPP liability will need to be remeasured at 1st April 2023 to include the actual indexation-linked changes to payments for the capital/infrastructure element which have taken effect in the cash flows since the PPP agreement commenced. This should use a cumulative catch-up approach, where the cumulative effect is recognised as an adjustment to the opening balance of retained earnings.

Subsequent measurement - The PPP liability will continue to require remeasurements whenever cash payments change in response to indexation movements as set out in the individual PPP contract. The double entry for the subsequent liability remeasurement should be Debit Finance Cost, Credit PPP liability.

The liability does not include estimated future indexation linked increases.

1.26.5. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the LHB's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.26.6. Assets contributed by the LHB to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the LHB's SoFP.

1.26.7. Other assets contributed by the LHB to the operator

Assets contributed (e.g. cash payments, surplus property) by the LHB to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the LHB, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

1.27. Contingencies

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

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

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

1.28. Absorption accounting

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

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

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

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

IFRS14 Regulatory Deferral Accounts - Not UK endorsed. Applies to first time adopters of IFRS after 1st January 2016. Therefore not applicable.

IFRS 18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1st January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - Application required for accounting periods beginning on or after 1st January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2025-26 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the LHB has established that as it is the corporate trustee of the xxx University LHB NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Powys Teaching 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 Powys Teaching LHB NHS Charitable Fund or its independence in its management of charitable funds.

Whilst there is a requirement to consolidate the results of the xxx University LHB NHS Charitable Fund within the statutory accounts of the LHB. The LHB has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate.

Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts.

Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1st April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1st April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years;
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

Annual financial performance

	2023-24	2024-25	2025-26	Total
	£000	£000	£000	£000
Net operating costs for the year	429,823	464,384	504,121	1,398,328
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,859	1,833	1,227	4,919
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	0	0	0
Less any non funded revenue consequences of IFRS 16	0	0	0	0
Total operating expenses	431,682	466,217	505,348	1,403,247
Revenue Resource Allocation	419,699	450,464	472,073	1,342,236
Under /(over) spend against Allocation	(11,983)	(15,753)	(33,275)	(61,011)

Powys Teaching Health Board has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2023-24 to 2025-26.

The Health Board received £30m cash-only support from Welsh Government during 2025-26 with the accumulated cash-only support as at 31st March 2026 being £50.850m. This support has been provided by Welsh Government to assist the Health Board with making payments to staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

	2023-24	2024-25	2025-26	Total
	£000	£000	£000	£000
Gross capital expenditure	6,650	14,608	9,383	30,641
Add: Losses on disposal of donated assets	0	0	0	0
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	0	0	0	0
Adjustment for transfers (to)/from NHS Trusts	0	0	0	0
Less capital grants received	0	0	0	0
Less donations received	(195)	(141)	(614)	(950)
Less IFRS16 Peppercorn income	0	0	0	0
Less initial recognition of RoU Asset Dilapidations	0	0	0	0
Charge against Capital Resource Allocation	6,455	14,467	8,769	29,691
Capital Resource Allocation	6,481	14,517	8,844	29,842
(Over) / Underspend against Capital Resource Allocation	26	50	75	151

Powys Teaching Health Board has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2023-24 to 2025-26.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2025-2028 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The LHB did not submit an Integrated Medium Term Plan for the period 2025-2028 in accordance with section 175(2) of the National Health Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014) and the NHS Wales Planning Framework.

Powys Teaching Health Board submitted an Annual Plan for 2025/26.

The plan was not approved, so the LHB has failed to meet this statutory duty.

The Minister for Health and Social Services extant approval

Status
Date

Not Approved

The LHB has not met its statutory duty to have an approved financial plan.

2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2025-26	2024-25
Total number of non-NHS bills paid	46,098	52,868
Total number of non-NHS bills paid within target	42,306	49,586
Percentage of non-NHS bills paid within target	91.8%	93.8%

The LHB has not met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2025-26 Total £000	2024-25 Total £000
General Medical Services	45,887		45,887	44,737
Pharmaceutical Services	5,809	(3,020)	2,789	2,330
General Dental Services	9,402		9,402	9,307
General Ophthalmic Services	943	1,793	2,736	2,331
Other Primary Health Care expenditure	2,193		2,193	1,894
Prescribed drugs and appliances	22,471		22,471	22,896
Total	86,705	(1,227)	85,478	83,495

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	(1,212)	(1,202)
Overall total		84,266	82,293

1. The negative non cash limited balance on Pharmaceutical services relate to prescriptions for Powys residents being dispensed in non Powys pharmacies. The effect of this is a net outflow for Powys LHB.

3.2 Expenditure on healthcare from other providers

	2025-26 £000	2024-25 £000
Goods and services from other NHS Wales Health Boards	53,895	50,483
Goods and services from other NHS Wales Trusts	3,931	3,284
Goods and services from Welsh Special Health Authorities	1,338	1,235
Goods and services from other non Welsh NHS bodies	86,623	82,084
Goods and services from NHSW JCC	62,648	58,939
Local Authorities	2,244	3,067
Voluntary organisations	2,027	1,901
NHS Funded Nursing Care	2,876	2,782
Continuing Care	38,813	33,047
Private providers	6,859	4,868
Specific projects funded by the Welsh Government	0	0
Other	5,312	4,346
Total	266,566	246,036

From 1st April 2024, the 7 Health Boards in Wales have established the NHS Wales Joint Commissioning Committee (NWJCC) which is hosted by Cwm Taf Morgannwg University Health Board, secures the provision of highly specialised healthcare and commissions ambulance services. These arrangements include funding of services operated through a risk sharing arrangement. The LHB payment for the NWJCC commissioning arrangements for the year ended 31st March 2026 is £62.648m (2024/25: £58.939m).

The increase in goods and services from other non Welsh NHS bodies results from increased costs for contracts with English NHS providers. The most significant increases are Wye Valley NHS Trust £4.162m, Shrewsbury and Telford NHS Foundation NHS Trust £1.251m and offset by a decrease with Robert Jones and Agnes Hunt Orthopaedic Hospital £0.925m in comparison to 2024/25 expenditure.

The decrease in Local Authorities expenditure during 2025/26 is mainly in relation to pass through of funding in respect of 50 Day Winter Challenge in 2024/25 funded by Welsh Government where equivalent funding was not provided during 25/26 together with a S33 pooled budget for reablement ceasing at 31st March 2025.

The increase in Continuing Health Care expenditure during 2025/26 has resulted from an increase in the number of cases compared to 2024/25.

The increase in Private Providers is due to the lack of capacity within NHS settings for more complex needs placements. The THB has seen increasing demand in this area in comparison to 24/25.

Other Expenditure includes Regional Integration Fund expenditure of £6.854M (2024/25: £6.712M) which aims to drive and enable integrated and collaborative working between social services, health, housing, the third and independent sectors to support underpinning principles of integration and prevention.

Other Expenditure also includes a negative balance which relates to the write back of liabilities from the Statement of Financial Position that have been assessed as no longer payable, which relate to previous years.

3.3 Expenditure on Hospital and Community Health Services

	2025-26	2024-25
	£000	£000
Directors' costs	1,756	1,876
Operational Staff costs	136,235	126,749
Single lead employer Staff Trainee Cost	0	0
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	6,018	6,290
Supplies and services - general	1,845	1,680
Consultancy Services	1,486	479
Establishment	2,276	2,128
Transport	820	867
Premises	6,085	6,988
External Contractors	0	0
Depreciation	6,031	4,979
Depreciation Right of Use assets (RoU)	474	363
Amortisation	5	0
Fixed asset impairments and reversals (Property, plant & equipment)	10,048	706
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	341	326
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	692	188
Research and Development	0	0
Expense related to short-term leases	0	0
Expense related to low-value asset leases (excluding short-term leases)	0	0
Other operating expenses	(2,915)	(1,902)
Total	171,197	151,717

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

	2025-26	2024-25
	£000	£000
Increase/(decrease) in provision for future payments:		
Clinical negligence;		
Secondary care	531	619
Primary care	(2,190)	75
Redress Secondary Care	81	50
Redress Primary Care	0	0
Personal injury	1,652	950
All other losses and special payments	450	1
Defence legal fees and other administrative costs	264	99
Gross increase/(decrease) in provision for future payments	788	1,794
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	146	(1)
Less: income received/due from Welsh Risk Pool	(242)	(1,605)
Total	692	188

	2025-26	2024-25
	£	£
Permanent injury included within personal injury £:	24,017	103,987

4. Miscellaneous Income

	2025-26	2024-25
	£000	£000
Local Health Boards	2,697	2,172
NHSW Joint Commissioning Committee	65	56
NHS Wales trusts	1,290	1,053
Welsh Special Health Authorities	3,881	988
Foundation Trusts	0	0
Other NHS England bodies	785	1,020
Other NHS Bodies	0	0
Local authorities	0	0
Welsh Government	5,345	6,131
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	0	0
Dental fee income	1,212	1,202
Private patient income	0	0
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	26	42
Other income from activities	1,508	1,533
Patient transport services	0	0
Education, training and research	176	437
Charitable and other contributions to expenditure	0	0
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	614	105
Receipt of Government granted assets	0	36
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	0	0
NHS Wales Shared Services Partnership (NWSSP)	0	0
Deferred income released to revenue	285	75
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	111	69
Other income:		
Provision of laundry, pathology, payroll services	0	0
Accommodation and catering charges	240	203
Mortuary fees	0	0
Staff payments for use of cars	0	0
Business Unit	0	0
Scheme Pays Reimbursement Notional	0	24
Other	939	1,763
Total	19,174	16,909

The increase in income from Welsh Special Health Authorities relates to increased income in respect of digital funding from Digital Health Care Wales and Education and Training funding from Health Education Improvement Wales in comparison to 24/25

Welsh Government miscellaneous income includes funding received on behalf of the hosted function of Health and Care Research Wales within the THB. This has increased to £5.099m from an amount of £4.777M received in 24/25.

The Receipt of Donated and Government Grant Assets of £0.614m (2024/25: £0.141m) relates to contributions from Charitable Organisations and Welsh Government Energy Service to capital schemes and equipment. This is further detailed in Note 11.

5. Investment Revenue

	2025-26 £000	2024-25 £000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	0	0

6. Other gains and losses

	2025-26 £000	2024-25 £000
Gain/(loss) on disposal of property, plant and equipment	10	9
Gain/(loss) on disposal other than by sale of right of use assets	0	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	10	9

7. Finance costs

	2025-26 £000	2024-25 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	49	40
Interest on obligations under PFI contracts;		
main finance cost	0	0
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	49	40
Provisions unwinding of discount	15	14
Other finance costs	0	0
Total	64	54

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)**LHB as lessee**

As at 31st March 2026 the Health Board had 25 leases agreements in place; 12 arrangements in respect of vehicles as Lessee and 13 arrangements in respect of property as Lessor

	2025-26	2025-26	2025-26	2024-25
	Low Value & Short Term	Other	Total	Total
	£000	£000	£000	£000
Payments recognised as an expense				
Minimum lease payments	24	0	24	51
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	24	0	24	51

Total future minimum lease payments

Payable	£000	£000	£000	£000
Not later than one year	30	0	30	56
Between one and five years	11	0	11	65
After 5 years	0	0	0	0
Total	41	0	41	121

LHB as lessor

	2025-26	2024-25
	£000	£000
Rental revenue		
Rent	26	55
Contingent rents	0	0
Total revenue rental	26	55

Total future minimum lease payments

Receivable	£000	£000
Not later than one year	26	55
Between one and five years	39	39
After 5 years	14	17
Total	79	110

9. Employee benefits and staff numbers

9.1 Employee costs	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2024-25
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	98,595	642	8,006	0	0	0	107,243	102,690
Social security costs	11,761	0	0	0	0	0	11,761	8,428
Employer contributions to NHS Pension Scheme	20,882	0	0	0	0	0	20,882	19,174
Other pension costs	0	0	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0
Total	131,238	642	8,006	0	0	0	139,886	130,292
Charged to capital							512	442
Charged to revenue							139,374	129,850
							139,886	130,292
Net movement in accrued employee benefits (untaken staff leave)							0	0

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2024-25
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	648	6	0	0	0	0	654	651
Medical and dental	40	1	10	0	0	0	51	49
Nursing, midwifery registered	623	2	20	0	0	0	645	633
Professional, Scientific, and technical staff	93	0	4	0	0	0	97	87
Additional Clinical Services	440	0	13	0	0	0	453	453
Allied Health Professions	166	0	11	0	0	0	177	166
Healthcare Scientists	10	0	1	0	0	0	11	12
Estates and Ancillary	166	0	0	0	0	0	166	167
Students	3	0	0	0	0	0	3	1
Total	2,189	9	59	0	0	0	2,257	2,219

9.3. Retirements due to ill-health

	2025-26	2024-25
Number	9	6
Estimated additional pension costs £	725,871	726,940

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 Teaching Health Board does not have an employee benefit scheme

9.5 Reporting of other compensation schemes - exit packages

9.5.1 Exit Packages Costs and Numbers

	2025-26	2025-26	2025-26	2025-26	2024-25
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	1	0	1	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	1	0	1	0	1
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	2	0	2	0	1

	2025-26	2025-26	2025-26	2025-26	2024-25
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	6,982	0	6,982	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	31,555	0	31,555	0	42,882
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	38,537	0	38,537	0	42,882

Total Exit Costs Paid in Year	Total paid in year	Total paid in year
	2025-26	2024-25
	£	£
Exit costs paid in year	81,418	0
Total	81,418	0

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

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

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures

	2025-26 Agreements Number	2025-26 Total value of agreements £
Type of other departures		
Voluntary redundancies including early retirement contractual costs	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
Total	0	0

There have been no other exit packages agree in year.

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.

Total Pay and benefits	£'000			£'000		
Chief Executive Total pay and benefits range	190 - 195			185 - 190		
Highest paid Director Total pay and benefits range	190 - 195			185 - 190		
	2025-26	2025-26	2025-26	2024-25	2024-25	2024-25
	£	£		£	£	
	Chief			Chief		
Total pay and benefits mid-point	Executive	Employee	Ratio	Executive	Employee	Ratio
25th percentile pay ratio	192,500	29,876	6.5:1	187,500	28,468	6.7:1
Median pay	192,500	38,852	5.0:1	187,500	37,030	5.1:1
75th percentile pay ratio	192,500	49,805	3.9:1	187,500	49,254	3.8:1
Salary component of total pay and benefits						
25th percentile pay ratio	192,500	29,876		187,500	28,468	
Median pay	192,500	38,852		187,500	37,030	
75th percentile pay ratio	192,500	49,805		187,500	49,254	
	Highest			Highest		
	Paid			Paid		
Total pay and benefits mid-point	Director	Employee	Ratio	Director	Employee	Ratio
25th percentile pay ratio	192,500	29,876	6.5:1	187,500	28,468	6.7:1
Median pay	192,500	38,852	5.0:1	187,500	37,030	5.1:1
75th percentile pay ratio	192,500	49,805	3.9:1	187,500	49,254	3.8:1
Salary component of total pay and benefits						
25th percentile pay ratio	192,500	29,876		187,500	28,468	
Median pay	192,500	38,852		187,500	37,030	
75th percentile pay ratio	192,500	49,805		187,500	49,254	

In 2025-26, 5 (2024-25, 6) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £24,833 to £210,813 (2024-25, £23,970 to £221,386).

The all staff range includes directors with the exception of the highest paid CEO Director as appropriate and excludes the non-executive directors and excludes pension benefits of all employees

Financial Year Summary

There has been an increase in year in the median remuneration of the workforce, which was mainly the result of all staff receiving a 3.6% consolidated pay uplift in year. There has been a decrease in the pay ratio which is attributable to the increase in the chief executive / highest paid director salary being less than the increase in the employee median salary. The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

9.6.2 Percentage Changes	2024-25	2023-24
	to	to
	2025-26	2024-25
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	3	6
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	3	6
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	5	2
Performance pay and bonuses	0	0

9.7 Pension costs

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

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

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

c) National Employment Savings Trust (NEST)

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

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

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

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

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2025-26 tax year (2024-25 £6,240 and £50,270).

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

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

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

	2025-26	2025-26	2024-25	2024-25
	Number	£000	Number	£000
NHS				
Total bills paid	2,797	211,051	2,023	201,408
Total bills paid within target	2,356	198,527	1,527	191,401
Percentage of bills paid within target	84.2%	94.1%	75.5%	95.0%
Non-NHS				
Total bills paid	46,098	142,047	52,868	126,874
Total bills paid within target	42,306	113,977	49,586	118,081
Percentage of bills paid within target	91.8%	80.2%	93.8%	93.1%
Total				
Total bills paid	48,895	353,098	54,891	328,282
Total bills paid within target	44,662	312,504	51,113	309,482
Percentage of bills paid within target	91.3%	88.5%	93.1%	94.3%

The Teaching Health Board performance at 91.8% has not met the administrative target of payment 95% of the number of non-nhs creditors paid within 30 days nor did it in 2024/25

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

	2025-26	2024-25
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	0	0

11.1 Property, plant and equipment

2025-26

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2025	12,765	86,022	1,628	10,347	9,478	498	6,007	0	126,745
Indexation	402	7,921	202	0	0	0	0	0	8,525
Additions									
- purchased	0	2,823	44	3,288	594	0	1,492	0	8,241
- donated	0	433	0	0	181	0	0	0	614
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	(36)	181	0	0	145
Reclassifications	0	8,750	0	(8,750)	0	0	0	0	0
Revaluations	61	0	0	0	0	0	0	0	61
Reversal of impairments	1	2,740	0	0	0	0	0	0	2,741
Impairments	0	(16,941)	(104)	0	0	0	0	0	(17,045)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(518)	0	(772)	0	(1,290)
At 31 March 2026	13,229	91,748	1,770	4,885	9,699	679	6,727	0	128,737
Depreciation at 1 April 2025	0	8,422	193	0	6,033	369	2,539	0	17,556
Indexation	0	1,045	23	0	0	0	0	0	1,068
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	0	0	0	0	0	0	0	0
Impairments	0	(4,256)	0	0	0	0	0	0	(4,256)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(518)	0	(772)	0	(1,290)
Provided during the year	0	3,877	78	0	890	41	1,145	0	6,031
At 31 March 2026	0	9,088	294	0	6,405	410	2,912	0	19,109
Net book value at 1 April 2025	12,765	77,600	1,435	10,347	3,445	129	3,468	0	109,189
Net book value at 31 March 2026	13,229	82,660	1,476	4,885	3,294	269	3,815	0	109,628
Net book value at 31 March 2026 comprises :									
Purchased	13,229	78,871	1,476	4,885	3,013	269	3,815	0	105,558
Donated	0	3,789	0	0	281	0	0	0	4,070
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2026	13,229	82,660	1,476	4,885	3,294	269	3,815	0	109,628
Asset financing :									
Owned	13,229	82,660	1,476	4,885	3,294	269	3,815	0	109,628
On-SoFP PPP/PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2026	13,229	82,660	1,476	4,885	3,294	269	3,815	0	109,628

The net book value of land, buildings and dwellings at 31 March 2026 comprises :

	£000
Freehold	84,136
Long Leasehold	0
Short Leasehold	0
	84,136

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

The reclassification in year relates to the bringing into use of buildings that were previously Assets under construction. The main part of this reclassification relates to the Refit Decarbonisation Project at £3.408m and the Llandrindod Hospital Phase 2 reconfiguration at £3.168M

11.1 Property, plant and equipment

2024-25

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	12,631	81,633	1,565	4,575	7,912	410	5,315	0	114,041
Indexation	134	1,145	28	0	0	0	0	0	1,307
Additions									
- purchased	0	1,660	35	8,343	2,009	102	1,250	0	13,399
- donated	0	89	0	0	52	0	0	0	141
- 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	2,571	0	(2,571)	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	327	0	0	0	0	0	0	327
Impairments	0	(1,403)	0	0	0	0	0	0	(1,403)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(495)	(14)	(558)	0	(1,067)
At 31 March 2025	12,765	86,022	1,628	10,347	9,478	498	6,007	0	126,745
Depreciation at 1 April 2024	0	5,478	122	0	5,833	357	2,113	0	13,903
Indexation	0	99	2	0	0	0	0	0	101
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	0	0	0	0	0	0	0	0
Impairments	0	(370)	0	0	0	0	0	0	(370)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(485)	(14)	(558)	0	(1,057)
Provided during the year	0	3,215	69	0	685	26	984	0	4,979
At 31 March 2025	0	8,422	193	0	6,033	369	2,539	0	17,556
Net book value at 1 April 2024	12,631	76,155	1,443	4,575	2,079	53	3,202	0	100,138
Net book value at 31 March 2025	12,765	77,600	1,435	10,347	3,445	129	3,468	0	109,189
Net book value at 31 March 2025 comprises :									
Purchased	12,765	74,386	1,435	10,347	3,311	129	3,468	0	105,841
Donated	0	3,214	0	0	134	0	0	0	3,348
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2025	12,765	77,600	1,435	10,347	3,445	129	3,468	0	109,189
Asset financing :									
Owned	12,765	77,600	1,435	10,347	3,445	129	3,468	0	109,189
On-SoFP PPP/PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2025	12,765	77,600	1,435	10,347	3,445	129	3,468	0	109,189

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	91,800
Long Leasehold	0
Short Leasehold	0
	91,800

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

The reclassification in year relates to the bringing into use of buildings that were previously Assets under construction. The main part of this reclassification relates to Bronllys Roof Project at £1.445m

11. Property, plant and equipment (continued)**Disclosures:****(i) Donated Assets**

Powys LHB has received the following donated assets during the year:

£0.300m from Welshpool League of Friends towards the extension of the staff dining room at Welshpool Hospital
 £0.100m from the Jack and Iris Lloyd legacy for ophthalmology and endoscopy medical equipment at Brecon Hospital
 £0.077m from Powys THB Charity towards works undertaken at Twymyn Ward, Machynlleth Hospital
 £0.067m from Llandrindod League of Friends for an OCT ophthalmology scanner for Llandrindod outpatients department
 £0.056m from the Welsh Government Energy service to implement EV charging points at Llandrindod and Bronllys Hospitals
 £0.014m of various contributions from the LHB charity for provision of medical equipment

(ii) Valuations

The LHBs 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 LHB 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.

There has also been a valuation of Brecon Hospital, Llandrindod Hospital, Westdene dwelling and Spa Road Building at Llandrindod on being brought into use during the year

There has also been a desktop exercise via the Valuation Office Agency of smaller schemes undertaken since the last quinquennial full valuation in 2022 that had not previously been subject to a formal valuation..

Details of these valuations are included in Note 13.

(iii) Asset Lives

Property, plant and equipment is depreciated using the following asset lives:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment between 5-15 years.

(iv) Compensation

There has not been any compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

(v) Write Downs

There have not been write downs.

(vi) Open Market Value

The Health Board does not hold any property where the value is materially different from its open market value.

(vii) Assets Held for Sale or sold in the period

There are not assets held for sale or sold in the period.

(viii) IFRS 13 Fair value measurement

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

(ix) Transfers from and to other bodies

During 25-26 the THB transferred medical equipment with Net Book Value of £0.036m to Aneurin Bevan University Health Board. The THB received the transfer of a mobile dental clinic with a Net Book Value of £0.181M during the year from Cardiff and Vale University Health Board.

11. Property, plant and equipment**11.2 Non-current assets held for sale**

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2025	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
Balance carried forward 31 March 2026	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance brought forward 1 April 2024	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
Balance carried forward 31 March 2025	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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, two are significant in their own right:

- Glan Irfon held under Land and Buildings - NBV at 31 March 2026 is £0.392m
- Presteigne Health Centre lease held under Land and Buildings - NBV at 31st March 2026 is £0.374m

	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
2025-26									
Cost or valuation at 1 April 2025	0	2,009	0	0	1,051	0	0	0	3,060
Additions	0	94	0	0	356	0	0	0	450
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(64)	0	0	0	(64)
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March 2026	0	2,103	0	0	1,343	0	0	0	3,446
Depreciation at 1 April 2025	0	935	0	0	610	0	0	0	1,545
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	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	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	0	193	0	0	281	0	0	0	474
At 31 March 2026	0	1,128	0	0	891	0	0	0	2,019
Net book value at 1 April 2025	0	1,074	0	0	441	0	0	0	1,515
Net book value at 31 March 2026	0	975	0	0	452	0	0	0	1,427
RoU Asset Total Value Split by Lessor									
	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	0	392	0	0	0	0	0	0	392
Other Public Sector Market Value Leases	0	176	0	0	0	0	0	0	176
Private Sector Peppercorn Leases	0	19	0	0	0	0	0	0	19
Private Sector Market Value Leases	0	388	0	0	452	0	0	0	840
Total	0	975	0	0	452	0	0	0	1,427

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, two are significant in their own right:

- Glan Irfon held under Land and Buildings - NBV at 31 March 2025 is £0.424m
- Presteigne Health Centre lease held under Land and Buildings - NBV at 31st March 2025 is £0.430m

2024-25	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	0	1,574	0	0	671	0	0	0	2,245
Additions	0	505	0	0	409	0	0	0	914
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	(70)	0	0	(29)	0	0	0	(99)
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March 2025	0	2,009	0	0	1,051	0	0	0	3,060
Depreciation at 1 April 2024	0	735	0	0	447	0	0	0	1,182
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	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	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	0	200	0	0	163	0	0	0	363
At 31 March 2025	0	935	0	0	610	0	0	0	1,545
Net book value at 1 April 2024	0	839	0	0	224	0	0	0	1,063
Net book value at 31 March 2025	0	1,074	0	0	441	0	0	0	1,515
RoU Asset Total Value Split by Lessor									
	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales 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	0	424	0	0	0	0	0	0	424
Other Public Sector Market Value Leases	0	123	0	0	0	0	0	0	123
Private Sector Peppercom Leases	0	38	0	0	0	0	0	0	38
Private Sector Market Value Leases	0	489	0	0	441	0	0	0	930
Total	0	1,074	0	0	441	0	0	0	1,515

11.3 Right of Use Assets continued

Quantitative disclosures

	2025-26	2025-26	2025-26	2025-26	2024-25
	Land	Buildings	Other	Total	Total
	£000	£000	£000	£000	£000
Maturity analysis					
Contractual undiscounted cash flows relating to lease liabilities					
Less than 1 year	0	168	195	363	365
2-5 years	0	364	131	495	597
> 5 years	0	135	0	135	209
Less finance charges allocated to future periods	0	(73)	(14)	(87)	(126)
Total	0	594	312	906	1,045
Lease Liabilities (net of irrecoverable VAT)				2025-26	2024-25
Current				319	325
Non-Current				587	720
Total				906	1,045
Amounts Recognised in Statement of Comprehensive Net Expenditure				2025-26	2024-25
Depreciation				474	363
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				49	40
Sub-leasing income				0	0
Expense related to short-term leases				0	0
Expense related to low-value asset leases (excluding short-term leases)				0	0
Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)					
Interest expense				(49)	(40)
Repayments of principal on leases				(461)	(351)
Total				(510)	(391)

The Teaching Health Board leases land, buildings and equipment where required to deliver core services.

Where an extension option exists within a lease, the Teaching Health Board has assessed on an individual contract basis and reflected any extension period within the reported liabilities where it is reasonably certain that the option will be exercised

12. Intangible non-current assets

2025-26

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2025	0	0	0	0	0	154	154
Revaluation	0	0	0	0	0	0	0
Reclassifications	154	0	0	0	0	(154)	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	78	0	0	0	0	0	78
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2026	232	0	0	0	0	0	232
Amortisation at 1 April 2025	0	0	0	0	0	0	0
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	5	0	0	0	0	0	5
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2026	5	0	0	0	0	0	5
Net book value at 1 April 2025	0	0	0	0	0	154	154
Net book value at 31 March 2026	227	0	0	0	0	0	227
NBV at 31 March 2026							
Purchased	232	0	0	0	0	0	232
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2026	232	0	0	0	0	0	232

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	0	0	0	0	0	0	0
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	0	0	0	0	0	154	154
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2025	0	0	0	0	0	154	154
Amortisation at 1 April 2024	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2025	0	0	0	0	0	0	0
Net book value at 1 April 2024	0	0	0	0	0	0	0
Net book value at 31 March 2025	0	0	0	0	0	154	154
NBV at 31 March 2025							
Purchased	0	0	0	0	0	154	154
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2025	0	0	0	0	0	154	154

Additional Disclosures re Intangible Assets

Disclosures:

(i) Donated Assets

The 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 Lives (UEL) of intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL with the UEL of any internally generated software being based on the professional judgement of Health Board professionals and finance staff.

(iv) Additions during the period

There is currently one intangible asset addition during the year relating to the Radiology Informatics System Programme(RISP) which went live during 2025/26.

(v) Disposals during the period

There have been no disposal of intangible assets during the year.

(vi) Transfers into other NHS Bodies

The LHB has not received any intangible assets transferred from another NHS body.

13 . Impairments

	2025-26 Property, plant & equipment £000	2025-26 Right of Use Assets £000	2025-26 Intangible assets £000	2025-26 Held for sale assets £000	2025-26 Financial Assets £000	2025-26 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	12,789	0	0	0	0	12,789
Reversal of Impairments	(2,741)	0	0	0	0	(2,741)
Total of all impairments	10,048	0	0	0	0	10,048

Analysis of impairments charged to reserves in year :

Impairments charged to the Statement of Comprehensive Net Expenditure	10,048	0	0	0	0	10,048
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	10,048	0	0	0	0	10,048

	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)	1,033	0	0	0	0	1,033
Reversal of Impairments	(327)	0	0	0	0	(327)
Total of all impairments	706	0	0	0	0	706

Analysis of impairments charged to reserves in year :

Impairments charged to the Statement of Comprehensive Net Expenditure	706	0	0	0	0	706
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	706	0	0	0	0	706

Within the healthcare segment of the Teaching Health Board, there is three downward impairments in year totalling £12.790m charged to the statement of Comprehensive Net Expenditure. This includes the downward valuation of £1.365m as a result of the initial valuation for the bringing into use the numerous projects at Brecon Hospital. There was also a downward revaluation of the properties of Llandrindod, Westdene and Spa Road of £3.802m due to the initial valuation for the bringing into use numerous projects at these buildings. A desktop exercise was undertaken by the Valuation Office Agency of all small schemes not subject to a formal valuation since the last quinquennial valuation in 2022. The result of this desktop valuation was an impairment of £7.623m across many sites within the THB.

There is a reversal of impairment of £2.741m during 2025/26 which has occurred as a result of an increase arising on revaluations due to indexation applied during the year that reversed an impairment for the same assets previously recognised as impairments in expenditure. In these cases it is credited to expenditure to the extent of the decrease previously charged there

Impairment funding to cover adjustments required is provided to the Teaching Health Board by Welsh Government on an annual basis.

14.1 Inventories

	31 March	31 March
	2026	2025
	£000	£000
Drugs	144	156
Consumables	25	35
Energy	0	0
Work in progress	0	0
Other	6	6
Total	175	197
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March	31 March
	2026	2025
	£000	£000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	0	0

15. Trade and other Receivables

Current	31 March 2026 £000	31 March 2025 £000
Welsh Government	332	1,935
NHSW JCC Joint Commissioning Committee	23	132
Welsh Health Boards	198	201
Welsh NHS Trusts	1,075	736
Welsh Special Health Authorities	514	299
Non - Welsh Trusts	1,295	421
Other NHS	35	39
2019-20 Scheme Pays - Welsh Government Reimbursement	0	5
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	1,598	1,277
NHS Wales Primary Sector FLS Reimbursement	211	2,383
NHS Wales Redress	218	117
Other	0	0
Local Authorities	1,185	801
Other receivables	1,847	2,460
Provision for irrecoverable debts	(548)	(612)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	661	671
Other accrued income	0	0
Right of Use capital receivables	0	0
Capital Receivables		
Tangibles capital receivables	377	126
Intangibles capital receivables	0	0
Other capital prepayments	0	0
Sub total	9,021	10,991
Non-current		
Welsh Government	0	0
NHSW JCC Joint Commissioning Committee	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	32	43
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	42	127
NHS Wales Primary Sector FLS Reimbursement	5	26
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Other receivables	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	0	0
Right of Use capital receivables	0	0
Capital Receivables		
Tangibles capital receivables	0	0
Intangibles capital receivables	0	0
Other capital prepayments	0	0
Sub total	79	196
Total	9,100	11,187

15. Trade and other Receivables (continued)**Receivables past their due date but not impaired**

	31 March 2026 £000	31 March 2025 £000
By up to three months	291	200
By three to six months	244	22
By more than six months	25	28
	560	250

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

Balance at 1 April	(612)	(613)
Transfer to other NHS Wales body	0	0
Amount written off during the year	210	0
Amount recovered during the year	125	68
(Increase) / decrease in receivables impaired	(271)	(67)
Bad debts recovered during year	0	0
Balance at 31 March	(548)	(612)

In determining whether a debt should be impaired, consideration is given to the age of the debt, historic collectability rates and the results of actions already taken including referral to the Health Board's credit agencies.

Receivables VAT

Trade receivables	0	0
Other	0	0
Total	0	0

16. Other Financial Assets

	Current		Non-current	
	31 March	31 March	31 March	31 March
	2026	2025	2026	2025
	£000	£000	£000	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans at amortised cost	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Capital Financial Assets				
Loans at amortised cost	0	0	0	0
Right of Use Asset Finance Sublease	0	0	0	0
Total	0	0	0	0

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	2025-26	2024-25
RoU Sub-leasing income	0	0

17. Cash and cash equivalents

	2025-26	2024-25
	£000	£000
Balance at 1 April	629	215
Net change in cash and cash equivalent balances	217	414
Balance at 31 March	846	629
Made up of:		
Cash held at GBS	788	568
Commercial banks	56	59
Cash in hand	2	2
Cash and cash equivalents as in Statement of Financial Position	846	629
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in Statement of Cash Flows	846	629

18. Trade and other payables

Current	31 March	31 March
	2026	2025
	£000	£000
Welsh Government	0	67
NHSW Joint Commissioning Committee	1,615	781
Welsh Health Boards	4,587	5,661
Welsh NHS Trusts	965	1,045
Welsh Special Health Authorities	0	0
Other NHS	7,689	4,023
Taxation and social security payable / refunds	1,192	956
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	1,525	1,087
Non-NHS payables - Revenue	6,404	6,742
Local Authorities	4,442	2,791
Overdraft	0	0
Rentals due under operating leases	0	0
Pensions: staff	1,802	1,710
Non NHS Accruals	13,823	18,176
Deferred Income:		
Deferred Income brought forward	320	111
Deferred Income Additions	246	284
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(298)	(75)
Other creditors	0	0
Payments on account	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Right of Use asset payables	319	325
Capital asset payables		
Tangibles - Payables	2,360	6,297
Intangibles - Payables	0	154
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
PFI assets – deferred credits	0	0
Capital Payments on account	0	0
Sub Total	46,991	50,135
Non-current		
Welsh Government	0	0
NHSW Joint Commissioning Committee	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Right of Use asset payables	587	720
Capital asset payables		
Capital Creditors - Tangibles	0	0
Capital Creditors - Intangibles	0	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
PFI assets – deferred credits	0	0
Capital Payments on account	0	0
Sub Total	587	720
Total	47,578	50,855

The THB aims to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

	31 March	Restated 31 March
Amounts falling due more than one year are expected to be settled as follows:	2026	2025
	£000	£000
Between one and two years	238	359
Between two and five years	270	255
In five years or more	79	106
Sub-total	<u>587</u>	<u>720</u>

19. Other financial liabilities

	Current		Non-current	
Financial liabilities	31 March	31 March	31 March	31 March
	2026	2025	2026	2025
	£000	£000	£000	£000
Financial Guarantees:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Derivatives at fair value through SoCNE	0	0	0	0
Other:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

20. Provisions

	At 1 April 2025	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2026
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:-									
Secondary care	596	0	0	(15)	561	(469)	(15)	0	658
Primary care	2,327	0	(60)	0	137	(20)	(2,327)	0	57
Redress Secondary care	101	0	0	0	115	(25)	(34)	0	157
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	77	0	0	57	1,628	(1,075)	0	15	702
All other losses and special payments	0	0	0	0	450	(450)	0	0	0
Defence legal fees and other administration	134	0	0	1	371	(91)	(12)		403
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	5			4	0	(5)	0	0	4
Restructuring	0			0	0	0	0	0	0
Other	563		0	0	973	(578)	(41)	0	917
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	3,803	0	(60)	47	4,235	(2,713)	(2,429)	15	2,898
Non Current									
Clinical negligence:-									
Secondary care	0	0	0	15	0	0	(15)	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	545	0	0	(57)	24	0	0	0	512
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	216	0	0	(1)	54	(14)	(149)		106
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	42			(4)	0	0	(11)	0	27
Restructuring	0			0	0	0	0	0	0
Other	0		0	0	0	0	0	0	0
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	803	0	0	(47)	78	(14)	(175)	0	645
TOTAL									
Clinical negligence:-									
Secondary care	596	0	0	0	561	(469)	(30)	0	658
Primary care	2,327	0	(60)	0	137	(20)	(2,327)	0	57
Redress Secondary care	101	0	0	0	115	(25)	(34)	0	157
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	622	0	0	0	1,652	(1,075)	0	15	1,214
All other losses and special payments	0	0	0	0	450	(450)	0	0	0
Defence legal fees and other administration	350	0	0	0	425	(105)	(161)		509
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	47			0	0	(5)	(11)	0	31
Restructuring	0			0	0	0	0	0	0
Other	563		0	0	973	(578)	(41)	0	917
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	4,606	0	(60)	0	4,313	(2,727)	(2,604)	15	3,543

Expected timing of cash flows:

	In year to 31 March 2027	Between 1 April 2027 31 March 2031	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	658	0	0	658
Primary care	57	0	0	57
Redress Secondary care	157	0	0	157
Redress Primary care	0	0	0	0
Personal injury	702	248	266	1,216
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	403	104	0	507
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	4	7	20	31
Restructuring	0	0	0	0
Other	917	0	0	917
Capital provisions				
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Total	2,898	359	286	3,543

The Teaching Health Board estimates that in 2026/27 and beyond it will receive £2.074m from the Welsh Risk Pool in respect of Losses and Special Payments.

£0.721m (2024/25: £0.082m) of the provision total relates to the probable liabilities of former Health Authorities in respect of Medical Negligence and Personal Injury claims for incidents which occurred before the establishment of NHS Trusts (Pre 1996 and Pre 1992 depending on the Trust)

Contingent Liabilities are directly linked to these claims in Note 21.

Included within the Redress Secondary Care line and Defence Legal Fees and Other Administration is a provision for expected payments in respect of redress arrangements under National Health Service (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011. The amount of provision in relation to this at 31st March 2026 is £0.168M including defence costs (2024/25: £0.103m) and all payments are expected to be fully reimbursed from the Welsh RiskPool.

There is an amount of £0.032m (2024/25: £0.048m) in respect of 2019-20 Scheme Pays - Reimbursement. The discharge of this provision in future years will be funded by Welsh Government.

20. Provisions (continued)

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	297	0	0	0	721	(320)	(102)	0	596
Primary care	2,252	0	0	0	75	0	0	0	2,327
Redress Secondary care	70	0	0	0	75	(19)	(25)	0	101
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	482	0	0	0	961	(1,324)	(55)	13	77
All other losses and special payments	0	0	0	0	1	(1)	0	0	0
Defence legal fees and other administration	277	0	0	(46)	116	(50)	(163)		134
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	9	(4)	0	0	5
Restructuring	0			0	0	0	0	0	0
Other	543		0	0	300	(114)	(166)	0	563
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	3,921	0	0	(46)	2,258	(1,832)	(511)	13	3,803
Non Current									
Clinical negligence:-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	501	0	0	0	44	0	0	0	545
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	43	0	0	46	146	(19)	0		216
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	32			0	10	0	0	0	42
Restructuring	0			0	0	0	0	0	0
Other	0		0	0	0	0	0	0	0
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	576	0	0	46	200	(19)	0	0	803
TOTAL									
Clinical negligence:-									
Secondary care	297	0	0	0	721	(320)	(102)	0	596
Primary care	2,252	0	0	0	75	0	0	0	2,327
Redress Secondary care	70	0	0	0	75	(19)	(25)	0	101
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	983	0	0	0	1,005	(1,324)	(55)	13	622
All other losses and special payments	0	0	0	0	1	(1)	0	0	0
Defence legal fees and other administration	320	0	0	0	262	(69)	(163)		350
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	32			0	19	(4)	0	0	47
Restructuring	0			0	0	0	0	0	0
Other	543		0	0	300	(114)	(166)	0	563
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	0	0	0	0	0
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	4,497	0	0	0	2,458	(1,851)	(511)	13	4,606

The Teaching Health Board estimates that in 2025/26 and beyond it will receive £3.930m from the Welsh Risk Pool in respect of Losses and Special Payments.

£0.082m (2023/24: £0.667m) of the provision total relates to the probable liabilities of former Health Authorities in respect of Medical Negligence and Personal Injury claims for incidents which occurred before the establishment of NHS Trusts (Pre 1996 and Pre 1992 depending on the Trust)

Contingent Liabilities are directly linked to these claims in Note 21.

Included within 'other' at 31st March 2025 is £0.316m relating to a liability for two historic continuing care cases with the Local Authority. Also included within 'other' at 31st March 2025 is £0.247m relating to retrospective continuing health care claims (2023/24 £0.113m).

Included within the Redress Secondary Care line and Defence Legal Fees and Other Administration is a provision for expected payments in respect of redress arrangements under National Health Service (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011. The amount of provision in relation to this at 31st March 2025 is £0.103M including defence costs (2023/24: £0.072m) and all payments are expected to be fully reimbursed from the Welsh Risk Pool.

There is an amount of £0.048m (2023/24: £0.032m) in respect of 2019-20 Scheme Pays - Reimbursement. The discharge of this provision in future years will be funded by Welsh Government.

21. Contingencies

21.1 Contingent liabilities

	2025-26 £'000	2024-25 £'000
Provisions have not been made in these accounts for the following amounts :		
Legal claims for alleged medical or employer negligence:-		
Secondary care	5,173	5,101
Primary care	1,574	883
Redress Secondary care	0	0
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	294	377
Continuing Health Care costs	0	0
Other	13,100	5,000
Total value of disputed claims	20,141	11,361
Less amounts recoverable in the event of claims being successful	(6,775)	(6,333)
Net contingent liability	13,366	5,028

Legal Claims for alleged medical or employer negligence: £2.179M of the £7.041m relates solely to the former Health Authorities in respect of Medical Negligence and Personal Injury claims for incidents which occurred before the establishment of NHS Trusts (Pre 1996 and Pre 1992 depending on the Trust). £3.287M of the £7.041M relates to Powys Teaching Health Board cases. Legal advice has established that these claims are not likely to result in payments. In the unlikely event that amounts are payable, all payments over a threshold of £0.025M will be reimbursed to Powys Teaching Health Board by the Welsh Risk Pool for Powys Teaching Health Board cases and reimbursed in full for former Health Authority and Primary Care cases.

An invoice for £5m from Wye Valley NHS Trust has been received during March 2025. It has the description "Recognition of discussions regarding parity of funding with English commissioners inc remoteness uplift, PFI and inflation". During 2025/26 Wye Valley NHS Trust continued to further invoice on a quarterly basis an amount of £2.025m with the narrative 'remoteness and parity fund with english commissioners' which has added a further amount of £8.100m during 2025/26 taking the overall total to £13.100m. The Health Board strongly refutes the charges and is awaiting backing information giving the rationale for the sums sought.

21.2 Remote Contingent liabilities

	2025-26	2024-25
	£000	£000
Guarantees	0	0
Indemnities	94	110
Letters of Comfort	0	0
Total	94	110

All of the £0.094m relates solely to the former Health Authorities in respect of Medical Negligence and Personal Injury claims for incidents which occurred before the establishment of NHS Trusts (Pre 1996 and Pre 1992 depending on the Trust). Legal advice has established that these claims are not likely to result in payments. In the unlikely event that amounts are payable, all payments will be reimbursed in full by the Welsh Risk Pool.

21.3 Contingent assets

	2025-26	2024-25
	£000	£000
The Health Board does not have any Contingent assets	0	0
Total	0	0

22. Capital commitments**Contracted capital commitments at 31 March**

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

	2025-26	2024-25
	£000	£000
Property, plant and equipment	3,244	1,423
Right of Use Assets	0	133
Intangible assets	0	77
Total	3,244	1,633

23. Losses and special payments

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

Gross loss to the Exchequer

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

	Amounts paid out during period to 31 March 2026	
	Number of cases	£
Clinical negligence:-		
Secondary Care	14	545,296
Primary Care	0	0
Redress Secondary Care	11	45,286
Redress Primary Care	0	0
Personal injury	12	1,036,723
All other losses and special payments	168	450,315
Total	205	2,077,620

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

Case Type	In year cases in excess of £300,000		Cumulative amount
	L&R Case reference number	£	£
Cases in excess of £300,000:			
Clinical Negligence	SSPLR154114	444,039	521,363
Personal Injury	SSPLR153016	440,371	440,783
Personal Injury	SSPLR14719989	508,985	508,985

	Number of cases	£	£
Sub-total	3	1,393,395	1,471,130
All other cases paid in year	202	684,225	1,317,068
Total cases paid in year	205	2,077,620	2,788,199

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

	Number of cases	£
Cumulative amount up to £300k	7	105,457
Cumulative amount greater than £300k	1	8,245,767
Total	8	8,351,224

24. Right of Use lease obligations**24.1 Obligations (as lessee)****Amounts payable under right of use asset leases:****2025-26**

	LAND	BUILDINGS	OTHER	TOTAL
	31 March	31 March	31 March	31 March
	2026	2026	2026	2026
	£000	£000	£000	£000
Minimum lease payments				
Within one year	0	168	195	363
Between one and five years	0	364	131	495
After five years	0	135	0	135
Less finance charges allocated to future periods	0	(73)	(14)	(87)
Minimum lease payments	0	594	312	906
Included in:				
Current borrowings	0	132	188	320
Non-current borrowings	0	463	124	587
	0	594	312	906
Present value of minimum lease payments				
Within one year	0	132	181	313
Between one and five years	0	364	131	495
After five years	0	99	0	99
Present value of minimum lease payments	0	594	312	906
Included in:				
Current borrowings	0	132	181	313
Non-current borrowings	0	463	131	594
	0	594	312	906

2024-25

	LAND	BUILDINGS	OTHER	TOTAL
	31 March	31 March	31 March	31 March
	2025	2025	2025	2025
	£000	£000	£000	£000
Minimum lease payments				
Within one year	0	141	224	365
Between one and five years	0	357	240	597
After five years	0	209	0	209
Less finance charges allocated to future periods	0	(102)	(24)	(126)
Minimum lease payments	0	605	440	1,045
Included in:				
Current borrowings	0	117	208	325
Non-current borrowings	0	488	232	720
	0	605	440	1,045
Present value of minimum lease payments				
Within one year	0	117	208	325
Between one and five years	0	295	232	527
After five years	0	193	0	193
Present value of minimum lease payments	0	605	440	1,045
Included in:				
Current borrowings	0	117	208	325
Non-current borrowings	0	488	232	720
	0	605	440	1,045

24.2 Right of Use Assets receivables (as lessor)

The Health Board did not hold any Right of Use Assets lease receivables, as a lessor, at the balance sheet date.

Amounts receivable under right of use assets :

	31 March 2026 £000	31 March 2025 £000
Gross Investment in leases		
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>
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	<u>0</u>	<u>0</u>

25. Private Finance Initiative contracts**25.1 PFI schemes off-Statement of Financial Position**

The Teaching Health Board did not have any PFI Schemes that were deemed to be off-statement of financial position at the balance sheet date.

Commitments under off-SoFP PFI contracts

	Off-SoFP PFI contracts	Off-SoFP PFI contracts
	31 March 2026	31 March 2025
	£000	£000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	<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
Contract start date:	0
Contract end date:	N/A

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

2025-26	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2026	31 March 2026	31 March 2026	31 March 2026
	£000	£000	£000	£000
Total payments due within one year	0	0	0	0
Total payments due between 1 and 5 years	0	0	0	0
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2024-25	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
	£000	£000	£000	£000
Total payments due within one year	0	0	0	0
Total payments due between 1 and 5 years	0	0	0	0
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	31/03/2026			
	£000			
Total present value of obligations for on-SoFP PFI contracts	0			

25.3 Charges to expenditure

	2025-26	2024-25
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	0	0
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>0</u>	<u>0</u>

The LHB is committed to the following annual charges

PFI scheme expiry date:

	£000	£000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	0	0
Total	<u>0</u>	<u>0</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.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	0	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

25.5 Public Private Partnerships

The Health Board did not have any Public Private Partnerships during the year

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The Health Board is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The Health Board has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Health Board in undertaking its activities.

Currency risk

The Health Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. The Health Board does not have any overseas operations. The Health Board therefore has low exposure to currency rate fluctuations.

Interest rate risk

Health Boards are not permitted to borrow and the Health Board therefore has low exposure to interest rate fluctuations.

Credit risk

As the majority of the Health Board's funding derives from funds voted by the Welsh Government the Health Board has low exposure to credit risk.

Liquidity risk

The Health Board is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The Health Board is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2025-26 £000	2024-25 £000
(Increase)/decrease in inventories	22	14
(Increase)/decrease in trade and other receivables - non-current	117	(164)
(Increase)/decrease in trade and other receivables - current	1,970	(674)
Increase/(decrease) in trade and other payables - non-current	(133)	453
Increase/(decrease) in trade and other payables - current	(3,144)	3,022
Total	(1,168)	2,651
Adjustment for accrual movements in fixed assets - creditors	4,091	(3,107)
Adjustment for accrual movements in fixed assets - debtors	251	68
Adjustment for accrual movements in right of use assets - creditors	139	(500)
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	0	0
	3,313	(888)

28. Other cash flow adjustments

	2025-26 £000	2024-25 £000
Depreciation	6,505	5,342
Amortisation	5	0
(Gains)/Loss on Disposal	(10)	(9)
Impairments and reversals	10,048	706
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(183)	(105)
Government Grant assets received credited to revenue but non-cash	0	(36)
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	113	40
Non-cash movements in provisions	1,664	1,960
Other movements	8,259	7,583
Total	26,401	15,481

Other movements of £8.259m(2024-25 £7.583m) is made up of notional funding received for:

- LHB notional 9.4% Staff Employer Pension Contributions;
- the 2019-20 Pensions Annual Allowance Charge Compensation Scheme (PAACCS);

which are both funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

Since the 31st March 2026 it has been communicated that the Welsh Government has revised the payscales for Chairs, Deputy Chairs and Independent Members of Health Boards to be backdated to 1st January 2026. Payments in this regard will be made during the early months of 2026/27. This is not material to the financial statements but is material in nature due to remuneration reporting requirements of Board Members.

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on xx xx xxxx; post the date the financial statements were certified by the Auditor General for Wales.

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	Board Member Interests	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government		31	496,665	0	332
Aneurin Bevan University Health Board		16,015	231	1,189	0
Betsi Cadwaladr University Health Board		4,940	565	381	49
Cardiff & Vale University Health Board		2,314	61	313	44
Cwm Taf Morgannwg University Health Board		8,245	49	242	48
Hywel Dda University Local Health Board		11,357	275	773	32
Public Health Wales NHS Trust		219	1,192	29	280
Swansea Bay University Health Board		12,972	1,601	1,688	24
Velindre University NHS Trust (inc. WRP)		5,284	1,657	898	791
Welsh Ambulance Services Trust		100	84	37	4
NHS Wales Joint Commissioning Committee (NWJCC)		62,892	65	1,615	23
Health Education and Improvement Wales (HEIW)		0	3,152	0	456
Digital Health & Care Wales (DHCW)		1,837	733	0	57
Shrewsbury and Telford Hospital NHS Trust		36,375	0	488	0
Wye Valley NHS Trust		34,382	0	6,655	65
The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust		9,855	0	77	655
NHS Dorset Integrated Care Board	Rhiannon Beaumont-Wood, Non-Executive Member NHS Dorset ICB	0	4	0	2
Powys County Council	Councillor Chris Walsh, Councillor, Powys County Council	19,037	2,910	4,442	1,185
Powys Association of Voluntary Organisations	Jennifer Owen Adams Vice Chair and Co-opted Member of Powys Association of Voluntary Organisations	1,326	0	393	0
Freedom Leisure	Jennifer Owen Adams Close relative is senior manager for Freedom Leisure with lead responsibility for	1	0	0	0
		227,182	509,244	19,220	4,047

Powys LHB has hosted the following functions on behalf of NHS Wales on which it receives income from the Welsh Government and other LHB's:

- Residual Clinical Negligence
- Community Health Councils
- Health and Care Research Wales (HCRW)

Powys LHB has also received items donated from the Powys LHB Charitable Fund, for which the Board is the Corporate Trustee.

31. Third Party assets

The LHB held £160 cash at bank and in hand at 31 March 2026 (31st March 2025, £160) which relates to monies held by the LHB on behalf of patients. This has been excluded from the Cash and Cash equivalents figure reported in the accounts. None of this cash was held in Patients' Investment Accounts in either 2025-26 or 2024-25.

32. Pooled budgets

Provision of Care Home Accommodation Functions (Funded Nursing Care)

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in accordance with Section 31 of the Health Act 1999. The health related function which is subject to these arrangements is the provision of care by a registered nurse in care homes, which is a service provided by the NHS Body under section 2 of the National Health Service Act 1977. In accordance with the Social Care Act 2001 Section 49 care from a registered nurse is funded by the NHS regardless of the setting in which it is delivered. (Circular 12/2003) The agreement will not affect the liability of the parties for the exercise of their respective statutory functions and obligations. The partnership agreement operates in accordance with the Welsh Government Guidance NHS Funded Nursing Care 2004.

	2025-26	2024-25
	£ 000	£ 000
Pooled Budget contributions		
Powys County Council	0	0
Powys Teaching Health Board	2,782	2,449
Other	0	0
Total Pooled Budget contributions for the year	2,782	2,449
Expenditure		
Staff Costs	0	0
Equipment Purchases	0	0
Operating Expenditure	2,876	2,782
Non Operating Expenditure	0	0
Total Expenditure for the year	2,876	2,782
Net Surplus/(Deficit) on the Pooled Budget for the Year	(94)	(333)

Provision of Community Equipment

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in respect of lead commissioning from a pooled fund for the provision of community equipment in accordance with Section 33 of the National Health Services Act 2006. Powys County Council is the host partner for the purposes of the Regulations. The purpose of the agreement is to facilitate the provision of a community equipment service and the development of this service in Powys. The service is provided from a pooled fund and is within the THB's and the Council's powers.

	2025-26	2024-25
	£ 000	£ 000
Pooled Budget contributions		
Powys County Council	675	675
Powys Teaching Health Board	675	675
Other	0	0
Total Pooled Budget Contributions	1,350	1,350
Expenditure		
Staff Costs	0	0
Equipment Purchases	0	0
Operating Expenditure	1,466	1,350
Non Operating Expenditure	0	0
Total Expenditure	1,466	1,350
Net Surplus/(Deficit) on the Pooled Budget for year	(116)	0
Cumulative Net Surplus/(Deficit) on the Pooled Budget	(116)	0

32. Pooled budgets

Provision of Section 33 Joint Agreement for the provision of Tier 2/3 Psycho-social Treatment Services

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in accordance with Section 33 of the National Health Services Act 2006. Powys County Council is the lead commissioner and the host partner for the purposes of the Regulations. The agreement will not affect the liability of the parties from the exercise of their respective statutory functions and obligations. The purpose of the agreement is to provide a Tier 2 and 3 service provision for drug and alcohol users and their concerned others.

	2025-26	2024-25
	£ 000	£ 000
Pooled Budget contributions		
Powys County Council	673	845
Powys Teaching Health Board	122	130
Other	0	0
Total Pooled Budget contributions for the year	795	975
Expenditure		
Staff Costs	0	0
Equipment Purchases	0	0
Operating Expenditure	795	967
Non Operating Expenditure	0	0
Total Expenditure for the year	795	967
Net Surplus/(Deficit) on the Pooled Budget for the Year	0	8

Provision of Section 33 Joint Agreement for the provision of Personal Care at Glan Irfon Integrated Health and Social Care Unit, Builth Wells

Powys Teaching Health Board (PTHB) and Powys County Council (PCC) have entered into a partnership agreement in accordance with Section 33 of the National Health Services Act 2006. The agreement will not affect the liability of the parties from the exercise of their respective statutory functions and obligations. The purpose of the agreement is to facilitate the provision of person centred care at Glan Irfon, for 12 residents within the short stay shared care reablement unit with in-reach clinical, nursing and reablement support (registered under CSSIW for Residential Care).

	2025-26	2024-25
	£ 000	£ 000
Pooled Budget contributions		
Powys County Council	367	305
Powys Teaching Health Board	367	305
Other	0	0
Total Pooled Budget Contributions	734	610
Expenditure		
Staff Costs	0	0
Equipment Purchases	0	0
Operating Expenditure	734	680
Non Operating Expenditure	0	0
Total Expenditure	734	680
Net Surplus/(Deficit) on the Pooled Budget for year	0	(70)
Cumulative Net Surplus/(Deficit) on the Pooled Budget	0	0

33. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity:

2025-26

		Total Total Powys "Health" £'000	Total Residual Clinical Negligence £'000	Total Health and Care Research Wales (HCRW) £'000	Consolidation Adjustments £'000	Total £'000
	Note					
Expenditure on Primary Healthcare Services	3.1	85,478	0	0	0	85,478
Expenditure on healthcare from other providers	3.2	266,148	0	418	0	266,566
Expenditure on Hospital and Community Health Services	3.3	165,138	26	6,135	(102)	171,197
		516,764	26	6,553	(102)	523,241
Less: Miscellaneous Income	4	13,754	0	5,522	(102)	19,174
THB net operating costs before interest and other gains and losses		503,010	26	1,031	0	504,067
Investment Income	5	0	0	0	0	0
Other (Gains) / Losses	6	(10)	0	0	0	(10)
Finance costs	7	64	0	0	0	64
THB Net Operating Costs		503,064	26	1,031	0	504,121
Add Non Discretionary Expenditure	3.1	1,227	0	0	0	1,227
Revenue Resource Limit	2.1	471,016	26	1,031	0	472,073
Under / (over) spend against Revenue Resource Limit		(33,275)	0	0	0	(33,275)

2024/25

		Total Total Powys "Health" £'000	Total Residual Clinical Negligence £'000	Total Health and Care Research Wales (HCRW) £'000	Consolidation Adjustments £'000	Total £'000
	Note					
Expenditure on Primary Healthcare Services	3.1	83,495	0	0	0	83,495
Expenditure on healthcare from other providers	3.2	245,678	0	358	0	246,036
Expenditure on Hospital and Community Health Services	3.3	146,181	25	5,592	(81)	151,717
		475,354	25	5,950	(81)	481,248
Less: Miscellaneous Income	4	11,854	0	5,136	(81)	16,909
THB net operating costs before interest and other gains and losses		463,500	25	814	0	464,339
Investment Income	5	0	0	0	0	0
Other (Gains) / Losses	6	(9)	0	0	0	(9)
Finance costs	7	54	0	0	0	54
THB Net Operating Costs		463,545	25	814	0	464,384
Add Non Discretionary Expenditure	3.1	1,833	0	0	0	1,833
Revenue Resource Limit	2.1	449,610	25	829	0	450,464
Under / (over) spend against Revenue Resource Limit		(15,768)	0	15	0	(15,753)

34. Other Information**34.1. 9.4% Staff Employer Pension Contributions - Notional Element**

The value of notional transactions is based on estimated costs for the twelve month period 1st April 2025 to 31st March 2026. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2025 and February 2026 alongside Health Board data for March 2026.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2025-26 £000	2024-25 £000
Statement of Comprehensive Net Expenditure for the year ended 31 March 2026		
Expenditure on Primary Healthcare Services	112	109
Expenditure on healthcare from other providers	0	0
Expenditure on Hospital and Community Health Services	8,142	7,470
Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026		
Net operating cost for the year	8,254	7,579
Notional Welsh Government Funding	8,254	7,579
Statement of Cash Flows for year ended 31 March 2026		
Net operating cost for the financial year	8,254	7,579
Other cash flow adjustments	8,254	7,579
2.1 Revenue Resource Performance		
Revenue Resource Allocation	8,254	7,579
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	3	3
Pharmaceutical Services	0	0
General Dental Services	102	94
Other Primary Health Care expenditure	7	12
3.2 Expenditure on healthcare from other providers		
	0	0
	0	0
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	110	116
Staff costs	8,032	7,354
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	8,254	7,579
Charged to capital	32	26
Charged to revenue	8,222	7,553
18. Trade and other payables		
Current		
Pensions: staff	0	0
28. Other cash flow adjustments		
Other movements	8,254	7,579

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

Other

34.2 IFRS 17 - Insurance Contract Disclosures

The outcome of the annual contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2025	0
Liability for remaining payments @ 31 March 2026	0
	0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	0
	0

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)¹, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst

Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.