

Bundle Annual General Meeting 29 July 2026

- 1 13:00 - HEALTH FAIR
- 1.1 13:00 - Doors Open to the Health Fair
*The Annual General Meeting will once again include a Health Fair consisting of information tables with representatives from a range of services.
The Health Fair will provide an opportunity to showcase some of the work undertaken by the Health Board and to offer more information to those who attend the event.*
- 2 14:30 - ANNUAL GENERAL MEETING
- 2.1 14:30 - Welcome, Introductions and Apologies for Absence
Dyfed Edwards, Chair
- 2.2 14:33 - Declarations of Interest relating to the Agenda
Dyfed Edwards, Chair
- 2.3 14:35 - Annual Report 2025-2026: Year in Review - Presentation of the Annual Report including the Annual Governance Statement
Carol Shillabeer, Chief Executive
2.3 BCU 2025-26 Annual Report Final
- 2.4 14:55 - Annual Quality Report
Clara Day, Executive Medical Director
- 2.5 15:05 - Audited Annual Accounts Submission 2025-2026 and Auditor Opinion
Russell Caldicott, Executive Director of Finance
- 2.6 15:15 - Presentations provided by Colleagues
- 2.7 15:40 - Questions and Answers to the Health Board
Dyfed Edwards, Chair
- 2.8 16:10 - Closing Remarks
Dyfed Edwards, Chair



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Betsi Cadwaladr
University Health Board

Annual Report 2025/26



What Our Report Tells You

Our Annual Report explains what we do as a Health Board, the care we provide, and how we plan, deliver, and improve your local healthcare services. It describes, in three parts, our achievements and challenges throughout 2024-2025 across a wide range of areas:

Part 1 Performance Report

This report details how we have progressed against Welsh Government targets and actions planned to improve our performance.

Part 2 Accountability Report

This report details our key accountability requirements under the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as adapted for public sector organisations). It includes our Annual Governance Statement (AGS), which provides information about how we manage and control our resources and risks and comply with governance arrangements.

Part 3 Financial Accounts

Our summarised Financial Statements detail how we have spent our money and met our obligations under The National Health Service Finance (Wales) Act 2014.

Copies of documents can be downloaded from the Health Board's website at <https://bcuhb.nhs.wales/about-us/governance-and-assurance1/>

or are available on application to the Health Board's Communications Team at BCUHB, Block 5, Carlton Court, St Asaph Business Park, St Asaph, LL17 0JG, by telephone on 03000 840 008 or by e-mail to bcuhbpressdesk@wales.nhs.uk.

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Part One – The Performance Report

1. Overview from the Chair and Chief Executive

We are pleased to present the Annual Report for Betsi Cadwaladr University Health Board for the period 2025–26. This report provides a detailed overview of the year's progress, challenges, and the continued commitment of our staff, partners, and communities to improving health and care services across North Wales.

It is important we reflect on both the significant achievements across our organisation and the very real challenges that continue to shape the environment in which we provide care. The past year has tested the resilience of our services and our staff. Yet it has also demonstrated the strength, commitment, and compassion that define this organisation and the communities we serve.

Despite sustained operational pressures, we have made meaningful progress in several key areas. Our teams across the Health Board have continued to improve the quality and safety of care, introduce new models of service delivery, and embrace innovation to support better outcomes for patients.

Over the past year we have seen a significant reduction in the number of people waiting more than two years for treatment. This has been a priority area for us and we are pleased to see the progress made. The Health Board has delivered the highest number of pharmacist independent prescribing consultations in Wales and this expands same day access for minor conditions and medicines optimisation, and helps to reduce pressure on GPs and emergency departments. More than £6.5m in new NHS dental contracts have also been secured, increasing access to routine and urgent dental care, another key priority for the people of North Wales.

The development of the North Wales Medical School and a new pharmacy programme at Bangor University is helping to develop to workforce in North Wales. This year also saw the first cohort to complete their degrees on the Health Education and Improvement Wales commissioning contract, which has been delivered in partnership with Wrexham University.

We have continued to ensure investment in new services and in our infrastructure with the new North Wales Surgical Hub at Llandudno Hospital coming close to completion and the announcement of plans for a £33m transformation of the Royal Alexandra Hospital in Rhyl. Investment in our digital infrastructure has also continued with the rollout of a new electronic prescribing system across all of our sites, a new digital record system for maternity services being launched, as well as significant progress being made with plans for a wider electronic patient record system for our mental health services.

It is important that we also acknowledge the clear challenges we still face. We know too many people still wait too long for both their planned care, or to be able to access urgent care and support when they need it. Many people tell us that they are satisfied with the quality of care, and are very complementary about staff who provide their care, however a consistent theme is that accessing care takes too long. We agree; and that is why during 2026/27 timely access to care is the highest priority for the Board and its work.

Recruiting and retaining staff in some key clinical areas continues to be difficult, although we have taken huge strides over the last few years with staff recruitment on the whole, something we truly welcome. There are however, very significant financial pressures on public services across the UK and the health service here in North Wales is not immune to that. Providing the best value possible for the public purse is essential in light of these financial pressures across the system. We will continue to work with our services, partners and wider communities to find sustainable solutions to these challenges. Building positive health and wellbeing for the future is key, seeking to enhance the care and support in communities and primary care whilst enabling access to secondary and specialist services remains the core role of the Board and we reaffirm our commitment to moving forward in partnership.

We fully recognise the scale of the challenges that lie ahead, but we should also take confidence from the improvements we have already achieved. All of this reflects the dedication of our staff from the Board to our community wards and the willingness of teams across the Health Board to strive to improve the way we work for the benefit of patients. Our task now is to build on this momentum and continue strengthening services for the people of North Wales.

2. Reporting Requirements

The purpose of the performance section of this Annual Report 2025/26, as set out in the guidance provided in the NHS Wales 2025/26 Manual for Accounts, is to provide information on Betsi Cadwaladr University Health Board, its main objectives and strategies and the principal risks that it faces. The requirements are based on the matters required to be dealt with as set out in Chapter 4A of Part 15 of the Companies Act 2006, as adapted in the Financial Reporting Manual and NHS Wales Guidance Manual.

The main features of the performance report flow from the organisation's agreed plan and demonstrate how the Health Board has delivered against these.

The duty of quality came into legal force in April 2023 in line with the Health and Social Care (Quality and Engagement) (Wales) Act 2020. This requires the health board to produce an Annual Duty of Quality and Duty of Candour report. These have been published separately to this Performance Report. Further information is available in the Annual Accountability Report.

3. Betsi Cadwaladr University Health Board

The health board is the largest healthcare organisation in Wales, with a budget of £2.4 billion and a workforce of approximately 21,000 people as at the end of March 2026. We operate as an integrated health system, committed to delivering high-quality, compassionate care in partnership with the public, statutory bodies, and third sector organisations.

We provide healthcare services to a population of over 700,000 people across the six counties of North Wales: Anglesey, Gwynedd, Conwy, Denbighshire, Flintshire, and Wrexham. Service provision spans primary, community, mental health, and acute hospital care.

In primary care, NHS services are delivered through a mixed model of independent contractors and directly managed services. The primary care network includes 95 GP practices, 71 dental and orthodontic practices, 70 optometry practices, and 144 community pharmacies (see Appendix 1).

Community services encompass a broad range of provision, including community nursing, health visiting, physiotherapy, and palliative care. These services are delivered through a network of health centres, clinics, community team bases, and 17 community hospitals, coordinated across 14 localities (see Appendix 1).

Community mental health services are delivered through facilities across North Wales and are supported by inpatient mental health units within the region. The health board provides primary, community, and mental health services to the population of His Majesty's Prison Berwyn in Wrexham.

Acute hospital services are delivered primarily from three major sites: Ysbyty Gwynedd (Bangor), Glan Clwyd Hospital (Bodelwyddan), and Wrexham Maelor Hospital (Wrexham). Additional surgical services are provided in Abergele and Llandudno.

Where services cannot be delivered locally, including certain highly specialised or rare treatments, the health board commissions care from other NHS providers across Wales and England to ensure continuity of access for patients.

In addition to service delivery, the health board plays a key role in improving population health and wellbeing. This includes the delivery of vaccination programmes and school health services, alongside broader preventative and public health initiatives.

In February 2023, the health board was placed into Special Measures. BCUHB has demonstrated progress in strengthening governance and leadership, however, the organisation remains in special measures due to ongoing operational and service delivery challenges. The Welsh Government continues to provide enhanced oversight and support, and there is currently no confirmed timeline for de-escalation from special measures.

During 2025/26, progress has continued to align organisational activity with the Well-being of Future Generations (Wales) Act. The health board has worked to contribute to the seven national well-being goals, with an increased focus on long-term planning and partnership working. In collaboration with partners, five-year Public Service Board Well-being Plans for 2023–2028 have been agreed and are being implemented.

The health board has continued to strengthen its population health approach, working in partnership with a range of organisations across North Wales. During 2025/26, partners collaborated to implement the annual delivery plan aligned to the updated regional population needs assessment for 2023–2028. This work supports coordinated planning and delivery of health and social care services through the Regional Partnership Board.

Addressing health inequalities remains a core priority. The 'Well North Wales' programme continues to provide a strategic framework for this work, supporting targeted interventions and collaborative approaches across partner organisations.

As an anchor institution within the region, the health board also contributes to wider social, economic, and environmental objectives. This includes promoting equality and human rights, supporting sustainable development, protecting the environment, and advancing the Welsh language.

The health board works in partnership with a broad range of stakeholders to address shared priorities, including reducing health inequalities, enhancing community engagement, and maximising opportunities for integrated working. Key partners include:

- County Voluntary Services Councils
- Llais
- Local Authorities across North Wales
- Mid Wales Joint Committee
- Neighbouring NHS organisations in Wales and England
- Public Health Wales
- Public Service Boards and the Regional Partnership Board
- Regional Leadership Board
- Regional Safer Communities Partnership
- Third sector organisations
- Welsh Ambulance Services NHS Trust
- Welsh Health Specialised Services Committee
- NHS Wales Shared Services Partnership (NWSSP)

Our population

North Wales has a resident population of approximately 700,000 people, spread across an area of around 2,500 square miles. This equates to an average population density of 112 people per square kilometre. Population density varies significantly across the region, with Flintshire being the most densely populated at 353 people per square kilometre, and Gwynedd the least densely populated at 46 people per square kilometre.

The demographic profile of North Wales is notably older than the Welsh average, with a higher proportion of residents aged 65 and over, including those aged 85 and above.

Age Group	BCUHB (%)	All Wales (%)
0-15	17	17.3
16-64	59.2	61.1
65-84	20.8	18.8
85 and over	3.1	2.7

Source: <https://stats.gov.wales/en-GB/82d9faea-b515-41cd-aedb-8f4594f66ce5>

Overall, population health outcomes across North Wales compare positively with other regions of Wales. However, this overall position masks notable variation within the region. Significant inequalities persist, with some communities experiencing substantially higher levels of deprivation. In particular, Rhyl West 2 and Rhyl South West 1 rank in the top 5 of the most deprived areas in Wales, highlighting the need for continued targeted interventions to address these disparities.

Five most deprived areas in BCUHB			
LSOA* Name	Local Authority	WIMD** 2019 rank	WIMD* 2025 rank
Rhyl West 2	Denbighshire	1	1
Rhyl South West 1	Denbighshire	19	5
Queensway 1	Wrexham	9	7
Rhyl West 1	Denbighshire	2	9
Rhyl West 3	Denbighshire	11	10
*LSOA – Lower Layer Super Output Area, these are fixed statistical geographic areas, each with around 1,500 residents, defined by the Office for National Statistics (ONS) **WIMD – Welsh Index of Multiple Deprivation (2025 data)			

Across North Wales, the proportion of children aged 0–19 living in relative low-income families ranges from approximately 30.8% to 35.6%, compared to an All Wales average of around 31–32%.

[Children in low income families](#) | [Children](#) | [Children, young people and education](#) | [Data](#) | [Home - InfoBaseCymru](#)

- Wrexham and Flintshire account for the largest volumes of affected children, reflecting population size and indicating the greatest overall demand on services.
- Denbighshire and Conwy present a combined challenge of high numbers and notable increases over time, signalling areas of rising pressure.
- Isle of Anglesey and Gwynedd have smaller absolute numbers but continue to face challenges linked to rurality and access to services.

All six authorities have experienced increases over time, ranging from +3% to +6.2% with largest increases in Conwy (+6.2%) and Denbighshire (+6.1%).

Child poverty levels across North Wales remain high, with between one in three children living in relative low-income families. Rates in Anglesey and Denbighshire significantly exceed the Wales average, while Conwy shows the fastest rate of increase. Although Flintshire and Wrexham are closer to the national average, the scale of need remains substantial. The consistent upward trend across all authorities highlights a region-wide and worsening challenge, requiring both targeted and system-wide response.

Deprivation continues to have a significant adverse impact on population health, and current cost of living pressures are likely to be exacerbating these effects. In response, the health board has established a dedicated steering group to identify and coordinate organisational actions. A range of initiatives are being progressed through a foundational economy approach, alongside continued collaboration with partners to provide targeted support. This includes services addressing food poverty, fuel and heating assistance, access to financial and money advice, social prescribing, and broader health and wellbeing support.

There is a slightly higher prevalence of long-term health conditions across the North Wales population compared with the Welsh averages:

Long Term Condition	BCUHB (%)	All Wales (%)	BCUHB Compared with Wales
Asthma	17.9	16.3	Higher
Atrial fibrillation	14.8	14.4	Higher
Cancer	8.3	8.4	Lower
Chronic obstructive pulmonary disease (COPD)	7.6	7.1	Higher
Secondary prevention of coronary heart disease	4.3	3.7	Higher
Dementia	3.6	3.4	Higher
Diabetes mellitus (patients aged 17+)	2.8	2.7	Higher
Epilepsy (patients aged 18+)	2.7	2.3	Higher
Heart failure	2.3	2.2	Higher
Hypertension	1.4	1.4	Equal

[Disease registers by local health board, cluster and GP practice | StatsWales](#)

In the 2021 Census, 194,295 residents in North Wales reported that they are able to speak Welsh, representing 29.1% of the population, compared with 17.8% across Wales. As a health board, we recognise both our statutory responsibilities to provide Welsh language services and our broader role as a major employer in supporting and promoting the Welsh language. We are committed to strengthening the use of Welsh among our workforce and contributing to the long-term sustainability of the language

within the communities we serve. Further information on our Welsh Language activity is provided on page 37 of this report.

Our Staff and Recruitment

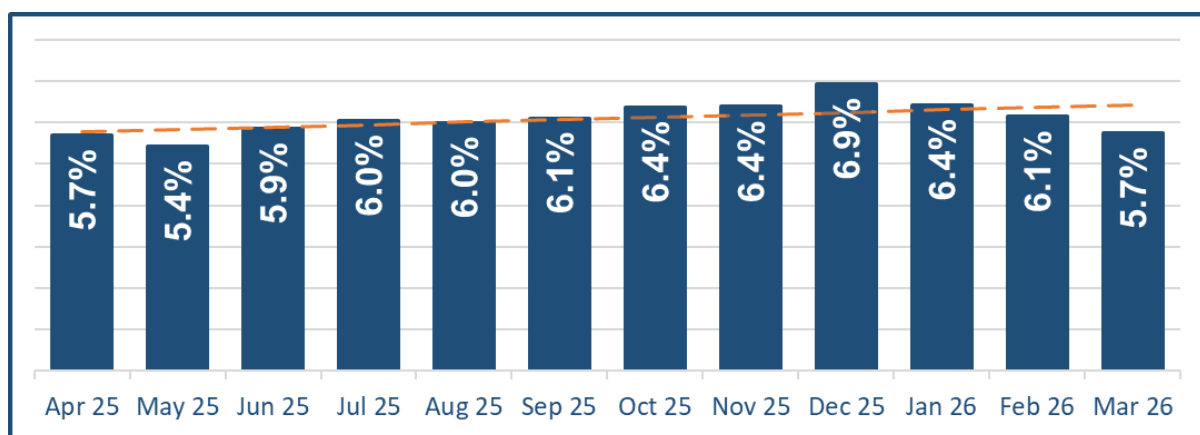
As at 31 March 2026, the Health Board employed more than 20,000 individuals, which equated to 18,366 full-time employees.

The table below gives a breakdown of the average number of employees by staff group over the year.

Professional Group	Whole time equivalent (WTE) Forecast as 31.03.2026
Add Prof Scientific and Technic	885.3
Additional Clinical Services	4292.9
Administrative, Clerical and board members	4025.8
Allied Health Professionals	1345.6
Estates and Ancillary	1495.4
Healthcare Scientists	354
Medical and Dental	1845.6
Nursing and Midwifery Registered	6319.5
Students	22.4
Total	20,589.4

Sickness Absence

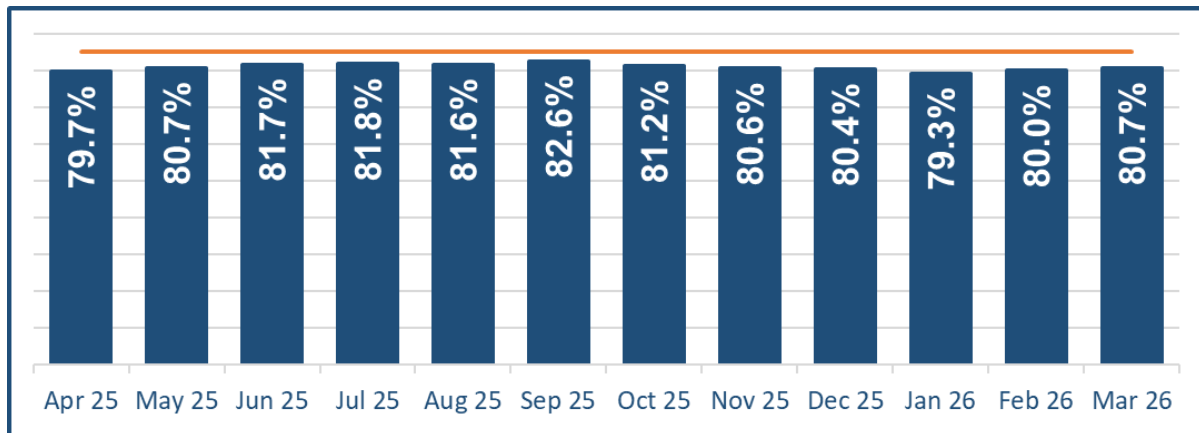
The sickness absence rate remained constant throughout the year, with the opening percentage the same as March 2026 (5.7%). The rolling sickness absence rate remains the second best in comparison to the other health boards in Wales.



Personal Appraisal and Development Reviews (PADR)

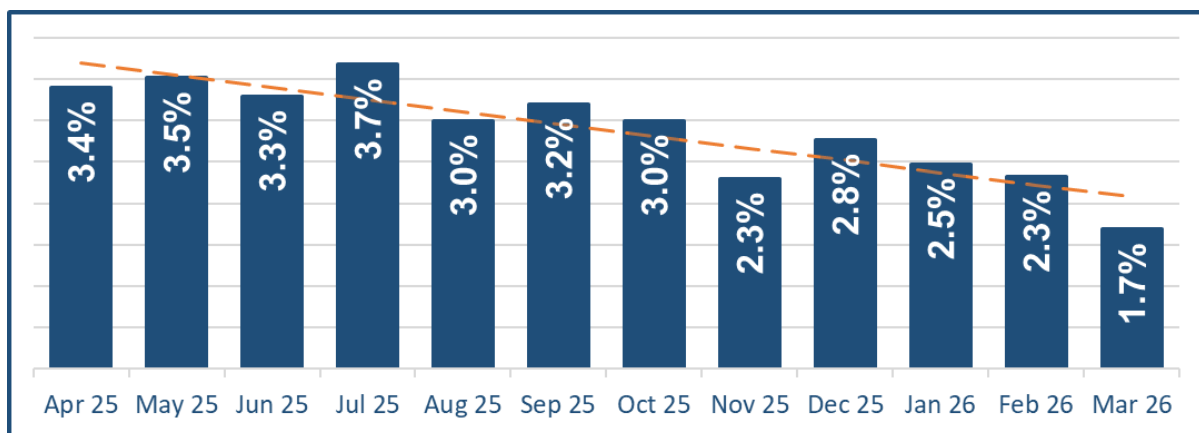
The percentage rate of staff having had a PADR within the last 12 months has been maintained starting the year at 79.7% and ending the year at 80.7%. The rolling

PADR rate remains the second best in comparison to the other health boards in Wales.



Agency Spend

At 1.7% in March 2026, the percentage of the total pay bill spent on agency staff has halved compared with the 3.4% position in April 2025 and a greater reduction from the 4.4% position in April 2024. This helps to improve the continuity of care for our patients and services. The agency spend rate remains the third best in comparison to the other health boards in Wales.



Our Estate

The health board manages one of the largest property portfolios in Wales. Services are delivered from over 230 properties, including GP-owned premises, facilities developed through third-party arrangements, and those leased from private landlords. The estate extends to approximately 400,000 square metres of floor space.

At an aggregate level, estate performance remains below both national targets and the NHS Wales average across most condition and performance indicators, with the exception of space utilisation. A substantial proportion of the estate, approximately 45%, is over 40 years old. As a result, there is a significant backlog maintenance requirement to bring assets currently below acceptable standards—both in terms of

physical condition and compliance with mandatory fire safety requirements and statutory legislation—up to the required level.

These figures exclude the primary care estate, where similar challenges are evident. This includes backlog maintenance pressures, the need for improvements to ensure full compliance with accessibility standards, and high levels of space utilisation, with reports of significant overcrowding in some settings.

There has been a £29.4m capital investment at Llandudno Hospital which commenced in 24/25 and will open in 2026. This investment is to build 2 new laminar flow theatres for hip and knee joint replacements, a refurbished ward, a refurbished and extended radiology department and energy centre upgrade. The centre's capacity will operate on 1,900 people per annum once open and patients from all over North Wales who meet the criteria will be offered their surgery at Llandudno Hospital.

Our Hospital Activity

Overall activity increased by 3.6% to 1.38 million from 2024/25 to 2025/26, with growth concentrated in planned and outpatient services, while unscheduled care remained broadly stable. Emergency demand rose modestly (ED +1.8%, emergency admissions +0.5%), contrasted with strong increases in day-case admissions (+11.3%), planned inpatient activity (+9%), and particularly minor outpatient procedures (+45.3%) and endoscopies (+18.9%), reflecting elective recovery and service expansion. The reduction in regular day attenders (-3.6%) further indicates improved pathway management, highlighting a continued strategic shift toward proactive, ambulatory-based care delivery.

During 2025/26, in our hospitals, we saw:

Activity Type	Actual numbers 2025/26 (% difference from 2024/25)
Emergency Department Attendances (New and Return)	247,050 (+1.8%)
Emergency Inpatients	98,394 (+0.5%)
Outpatient Attendances	894,632 (+3.8%)
Minor Outpatients Procedures	1632 (+45.3%)
Endoscopies	24,665 (+18.9%)
Pre-Operative Assessment	30,774 (+3.2%)
Planned Day-case Admissions	46,527 (+11.3%)
Planned Inpatient Admissions	13,372 (+9%)
Regular Day Attenders	24,366 (-3.6%)
Total*	1,381,412 (+3.6%)

Hospital Activity 2025/26

Patient Type	Plan	Actual	Difference	Difference (%)
ED Attendances	244,271	247,050	2,779	1.1%
Elective Daycases	40,164	46,527	6,363	15.8%
Elective Inpatients	12,155	13,372	1,217	10.0%
Emergency Inpatients	98,129	98,394	265	0.3%
Endoscopies	20,805	24,665	3,860	18.6%
MOPS (Cleansed DC)	1,333	1,635	302	22.7%
Outpatient F2F	757,877	795,636	37,759	5.0%
Outpatient Virtual	110,115	98,996	-11,119	-10.1%
Regular Day Attenders	50,891	24,366	-26,525	-52.1%
Ward Attenders	12,775	12,839	64	0.5%
Well Baby	4,215	3,979	-236	-5.6%
Grand Total	1,352,730	1,367,459	14,729	1.1%

Overall activity during 2025/26 was 1.1% above plan (14,729) driven primarily by an increase in face to face outpatient appointments as the health board focused on reducing its longest waiting patients. Elective day cases (+15.8%), planned inpatient admissions (10.0%), endoscopies (+18.6%) and minor procedures (+22.7%) were all delivered above plan, highlighting strong elective recovery and effective use of investment. Unscheduled care activity remained broadly on plan, with emergency department attendances marginally above plan (+1.1%) and emergency admissions in line with expectations (+0.3%).

Integrated Performance Framework

The health board approved its Integrated Performance Framework (IPF) 2023-27 in September 2023. The purpose of the IPF is to integrate key performance indicators (KPIs) taken from:

1. Key deliverables from the Annual Plan/ Integrated Medium-Term Plan (IMTP)
2. NHS Wales Assurance & Oversight Performance Frameworks
3. NHS Wales Performance Framework Measures
4. NHS Wales Policy Assurance Assessments
5. Key deliverables in response to Welsh Government (WG), Health Education and Improvement Wales (HIEW) and other formal recommendations

The health board is in the process of developing a more targeted Performance Management Framework, this will support strengthening performance scrutiny by the Board and its committees by ensuring that metrics are sufficiently and clearly defined.



Summary of Performance Against Key National Targets set out in the National Performance framework 25/26.

Measure	Target	End of March 2026 Position	Ranking (Welsh Health Boards)	All Wales Position
Percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e., ED) facilities from arrival until admission, transfer, or discharge	Improvement compared with the same month in 2024/25	51.90%	7th of 7 (March 2026)	64.20%
Number of patients who spend 12 hours or more in all 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	3,843	7th of 7 (March 2026)	10,939
Median time from arrival at an emergency department to triage by a clinician	15 minutes or less	20	4th of 6 (March 2026)	17
Median time from arrival at an emergency department to assessment by a clinical decision maker	60 minutes or less	121	5th of 6 (March 2026)	78
Number of ambulance patient handovers over 1 hour	0	2,061	6th of 6 (March 2026)	4,303
Percentage of patients starting first definitive cancer treatment within 62 days from point of suspicion (regardless of the referral route)	12 month improvement trend towards a national target of 80% by 31 March 2026	54.00%	6th of 6 (March 2026)	60.20%
Number of patients waiting more than 8 weeks for a specified diagnostic	0	13,778	7th of 7 (March 2026)	24,733
Number of patients (all ages) waiting more than 14 weeks for a specified therapy	0	1,339	6th of 7 (March 2026)	4,946
Number of patients waiting over 52 weeks for a new outpatient appointment (Welsh patients)	0	5,759	8th of 8 (March 2026)	12,697



Number of patients waiting more than 104 weeks for referral to treatment (Welsh patients)	0	2,139	8th of 8 (March 2026)	2,589
Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%	Reduction compared to the same month in the previous year	128,079	7th of 7 (March 2026)	293,112
Percentage of ophthalmology R1 appointments attended which were within their clinical target date or within 25% beyond their clinical target date	12 month improvement trend towards national target of 95%	61.30%	5th of 8 (March 2026)	59.80%
Percentage of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral for people age under 18 years	80%	88.90%	5th of 7 (March 2026)	91.60%
Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for people age under 18 years	80%	85.90%	5th of 7 (March 2026)	87.80%
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	90%	91.30%	5th of 7 (March 2026)	93.80%
Percentage of children and young people waiting less than 26 weeks to start an ADHD or ASD neurodevelopment assessment	80%	12.30%	7th of 7 (March 2026)	24.10%
Percentage of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral for adults age 18 years and over	80%	87.20%	5th of 7 (March 2026)	83.00%
Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for adults age 18 years and over	80%	91.40%	5th of 7 (March 2026)	94.40%

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	90%	84.30%	5th of 7 (March 2026)	84.80%
Percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health	80%	54.80%	3rd of 7 (March 2026)	51.40%

4. Performance Analysis 2025/26

Overview

This section provides a clear assessment of organisational performance, outlining key achievements, areas of challenge, and the actions being taken to drive improvement. It brings together quantitative data, narrative analysis, and strategic context to present a comprehensive overview of service performance across the health board. The performance measures and targets reported within this section are aligned to Welsh Government expectations for 2025/26.

Quality Metrics

Quality performance metrics support patient safety by providing clear, consistent measures of how well care is being delivered. They help identify risks, variation and areas for improvement, enabling timely action to reduce harm. By supporting informed decision-making, accountability and continuous learning, quality metrics play a key role in improving outcomes and strengthening governance across healthcare services. This Annual Quality Report provides a transparent and comprehensive account of progress to date, the ongoing challenges, and the actions being taken to improve outcomes and experiences for the population of North Wales. For a more detailed and forward-looking perspective, reference should also be made to the Annual Quality Report for 2025/26.

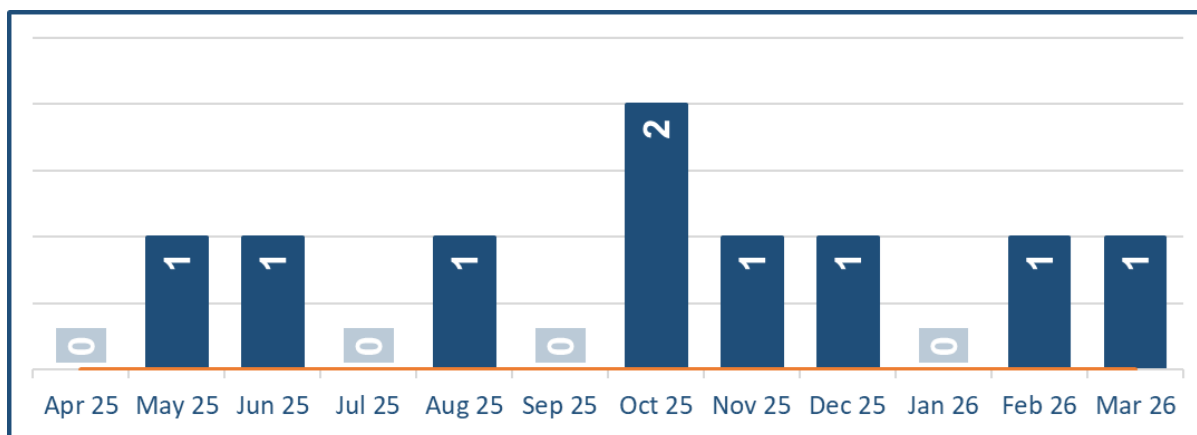
New Never Events

The number of new never events is a key indicator of quality, safety and governance within the health board. In 2025/26, eleven new never events were recorded, representing an increase of six never events compared with the previous year. The health board with the second highest reports a total at seven.

This level of avoidable harm remains a serious concern and the health board is committed to ensuring ongoing improvements. There is a clear commitment to strengthening systems and learning to support a continued reduction in never events, with an ambition to achieve zero new never events throughout 2026/27 and beyond.

Each never event is treated as a serious patient safety incident and is subject to a robust investigation process in line with national guidance. Investigations focus on identifying system and process failures rather than individual blame, ensuring that

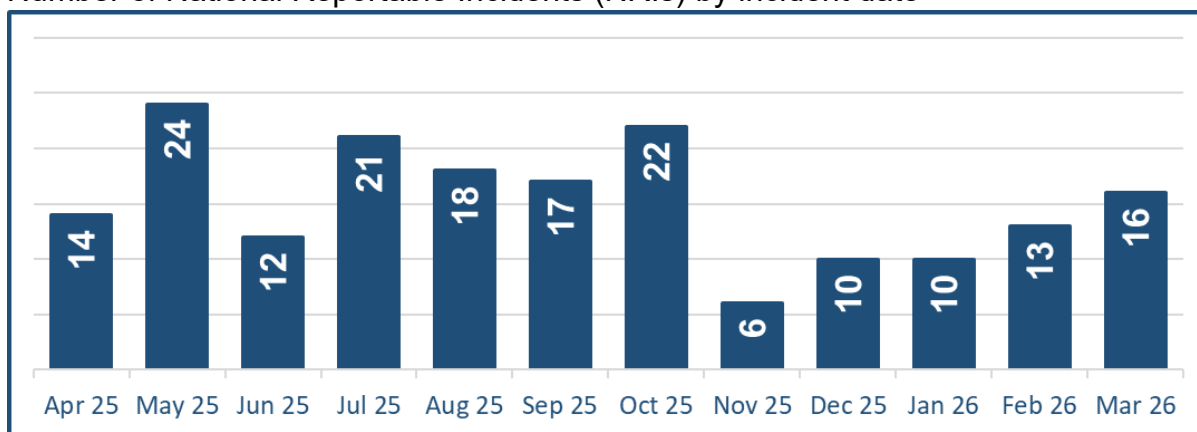
meaningful learning can be achieved. Where required, immediate actions are taken to protect patient safety while investigations are completed.



National reportable incidents (NRI's)

This is a national performance metric set in the national performance framework, it measures the number of National Reportable Incidents (NRI) that remain open 90 days or more. An NRI is a serious, largely preventable patient safety event that must be formally reported because it has the potential to cause significant harm. Recording and monitoring performance against these incidents is important as it supports transparency, strengthens governance, enables system-wide learning, and helps healthcare organisations identify risks and prevent similar harm from occurring again. For 2025/26, BCU reports a rate of 0.58 (by incident date), which is notably lower than the all-Wales rate of 0.76 and significantly below the all-Wales average rate of 1.94. In addition, BCU demonstrates strong performance in the timeliness of investigations. The organisation currently records the lowest median time to complete investigations across Wales, at 74 days, compared with an all-Wales median of 126 days to outcome.

Number of National Reportable Incidents (NRIs) by incident date



Complaint Response Times

Complaint closure rates closed within 30 days improved throughout the year, exceeding the 75% national target each month with positions as high as 80%. This shows significant improvement in both the number, quality and speed of closing

complaints through 2025/26. As 31st March 2026, complaints overdue (Over 30 working days) nationally totalled 1,210 to which the BCUHB were responsible for 61 of the 1,210 (5.04%), noting Zero, complaints were in the 180 working days or above categories. Between 1st April 2025 and 31st March 2026, we received less complaints per 100,000 of the population compared to the All-Wales average on 7 of the 12 months.

During 2025/26, BCU consistently outperformed the all-Wales average in the proportion of complaints closed within the 30-working day target, achieving higher rates in every month. BCU also demonstrated strong performance in the timeliness of complaint resolution. The median time to close a complaint was 21 working days, placing BCU joint lowest across Wales alongside Cardiff and Vale University Health Board, and well below the all-Wales median of 29 days.



The remaining complaints are typically more complex in nature and often involve multiple factors or cross-organisational input. As a result, these cases require a more comprehensive approach to investigation and resolution, which can lead to longer timescales for completion.

The majority of complaints received during the reporting period related to delays or the perceived absence of treatment, largely driven by prolonged waiting times across both planned care and urgent and emergency care services. These pressures have had a notable impact on patient experience and expectations of care.

The health board has introduced a Patient Advice and Liaison Service (PALS)–led Waiting List Support Service. This service provides timely information, guidance and reassurance to patients awaiting treatment, ensuring that individuals are supported, informed and able to raise concerns while they remain on waiting lists.

Primary and Community Care

General Medical Services

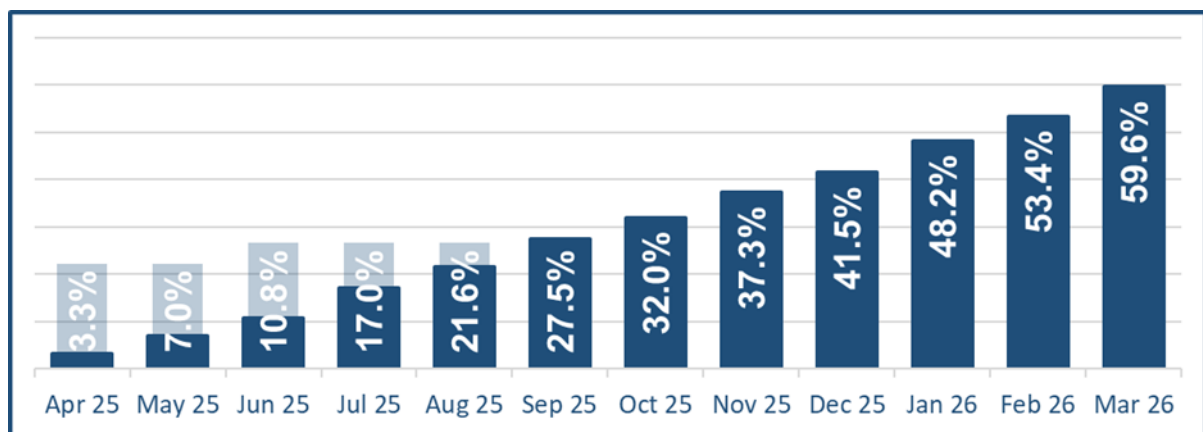
In 2025/26 there was a continued improvement in the percentage of General Practices (GP) that achieved all standards set out in the National Access Standards for in-hours general medical services. The health board is currently ranked 6 out of 7 nationally

with the quarter 3 performance at 99%, which is a 3% improvement from the start of the year.

General Dental Services

Between November 2025 and March 2026, the health board undertook a comprehensive deep dive review of Primary Care Dental Services. This review assessed key areas including service performance, models of delivery, workforce, and overall service structure. A number of actions are underway to address identified pressures and improve access. Longest-wait initiatives have been prioritised, including strengthened operational and clinical validation processes, alongside a review of referral acceptance and discharge arrangements, to ensure patients are managed safely and efficiently.

The Dental Access Portal continues to perform well locally, supporting improved access and oversight of services. After a period of poor performance in quarter 1 25/26, there has been consistent improvement each month. However, recognised system challenges at an all-Wales level remain, and these are being addressed through national collaboration.



Percentage of the primary care dental services (GDS) contract value delivered (for courses of treatment for new, new urgent and historic patients)

Progress is being made in relation to General Dental Services (GDS) contract reform, with both national and local working groups established to develop and implement the detailed requirements. The emerging contract model places a stronger emphasis on a qualitative framework and a whole-system approach to dental care delivery.

A business case for a new Community Dental Services patient clinical system is progressing, which will improve data quality, reporting and service management. In parallel, a programme of service reviews is underway, including Emergency Dental Services, Personal Dental Services and domiciliary care, to ensure services are aligned with population need and future commissioning intentions.

The mobilisation of new dental contracts will support greater service stability and sustainability, benefitting both high-street dentistry and specialist dental services across North Wales.

Community Pharmacy Services

Across North Wales, 144 of the health board's 147 community pharmacies provide enhanced services, demonstrating strong engagement with the community pharmacy network. While there remains some variation in the number and types of enhanced services offered, the health board continues to work collaboratively with pharmacy contractors to reduce unwarranted variation and support a more consistent service offer across the region.

Supporting general practice and reducing avoidable GP appointments remains a key ministerial and organisational priority. In 2025/26, the health board was aiming to increase the number of Pharmacist Independent Prescriber (PIP) consultations delivered across primary care. This target was exceeded, with 30,900 PIP consultations completed against a target of 27,835, positioning the health board as the best-performing organisation in Wales against this measure. This reflects the positive impact of utilising advanced clinical pharmacy skills to improve access to care and reduce pressure on general practitioners.

Further support to general practice is delivered through the Common Ailments Scheme (CAS), which enables patients to receive assessment and treatment for minor conditions directly from community pharmacists. The scheme has shown sustained growth, with consultation numbers increasing significantly during 2025/26. On average, approximately 8,000 consultations per month were delivered, compared to around 5,000 per month in 2022/23, almost doubling activity and reinforcing the role of community pharmacy in managing demand within primary care.

Innovation in medicines access is also being progressed through a joint project with Bangor University, aimed at exploring future models for the provision of urgent medicines in rural and remote settings. As part of this work, a robotic medication dispensing machine, funded by Health Care Research Wales, is being piloted at Dolgellau Hospital. The system enables patients who require urgent medication outside normal pharmacy opening hours to safely access prescribed medicines. Individuals contacting NHS 111 Wales out of hours and assessed as needing urgent medication are issued with a unique access code, allowing them to collect medicines from the robotic unit. Early learning from this pilot will inform future service models and wider system planning.

Women's Services

Maternity

In 2025, there were 5381 births. This was marginally lower than the 5587 births during 2024. The caesarean section rate in 2025 was 43.44%. There were 14 stillbirths (post 24 weeks' gestation), equating to approximately 2.6 per 1,000 births. This rate is below the Welsh national average of 4.4 per 1,000 births, as reported for 2024, reflecting effective clinical practices and care standards.

There has been a focus on ensuring that the requirements of the Maternity and Neonatal Quality Statement were completed, with the health board, successfully delivering and completing all seven key actions within the specified timeframe. This reflects a coordinated and proactive approach to quality improvement, assurance, and

the ongoing enhancement of maternity and neonatal care standards. The health board fully engaged with the Welsh Government Assessment of Maternity and Neonatal Care and is working with colleagues across the health board and more broadly in Wales on the continuous improvements.

Gynaecology

The service has an average of 306 emergency admissions per month. During 2025/26 the number of referrals into the service was 21,227, this was an increase of 14.8% (2,735) from the 18,492 referrals received during 2024/25. However, those who are waiting for a first outpatient appointment has reduced from 10,599 at the end of March 2025 to 4,801 at March 2026, following significant Welsh Government investment in insourcing provision and additional local activity. The follow up backlog however has increased from 3,195 to 6,532 during the year, this is a significant increase due to the increased first outpatient appointments above normal core funded activity. Due to a sustained increase in referral volumes (5% in 2025, the service has not yet achieved the expected levels of performance for cancer pathways. Current performance indicates that 38% of patients were treated in line with the national suspected cancer pathway in 2025/26, however, the service is actively implementing actions to improve this position.

Womens Health Plan

The Welsh Government's Women's Health Plan for Wales, launched in December 2024, sets out a ten-year programme to improve health outcomes and healthcare services for women across Wales. The Plan adopts a life-course approach and focuses on eight priority areas, including menstrual health, menopause, pelvic health, endometriosis, contraception, preconception health, violence against women and girls, and long-term health conditions.

A key commitment within the BCUHB Annual Plan 2025/26 was the establishment of a Women's Health Hub by March 2026. In response, the Women's Health Hub Pathfinder was established at Llandudno General Hospital, delivering the foundations for a more integrated and accessible model of care for women across North Wales.

During 2025/26, significant progress was made, including completion of population health and demand assessments, stakeholder engagement and service design activities, securing funding and accommodation, and establishing governance arrangements. The Hub commenced phased service delivery, providing access to pelvic health physiotherapy, psychological support, post-miscarriage health optimisation, and menopause services. New referral pathways, including self-referral routes, were also developed to improve access to care.

The Health Board further demonstrated its commitment to women's health through the successful delivery of a Women's Health Conference attended by more than 400 delegates. The Pathfinder phase concluded on 31 March 2026 and is currently being formally evaluated to inform future service development and support the continued implementation of the Women's Health Plan across North Wales.

A Business Case was presented to the BCUHB Executive Team on 25 February 2026, outlining the funding requirements to extend the Pathfinder Hub in its current form.

The Executive Team supported continuation of the workforce element of the Hub until the end of June 2026, enabling completion of the local evaluation and providing time to receive confirmation of Welsh Government funding for the 2026/27 financial year.

Urgent and Emergency Care Services

Introduction

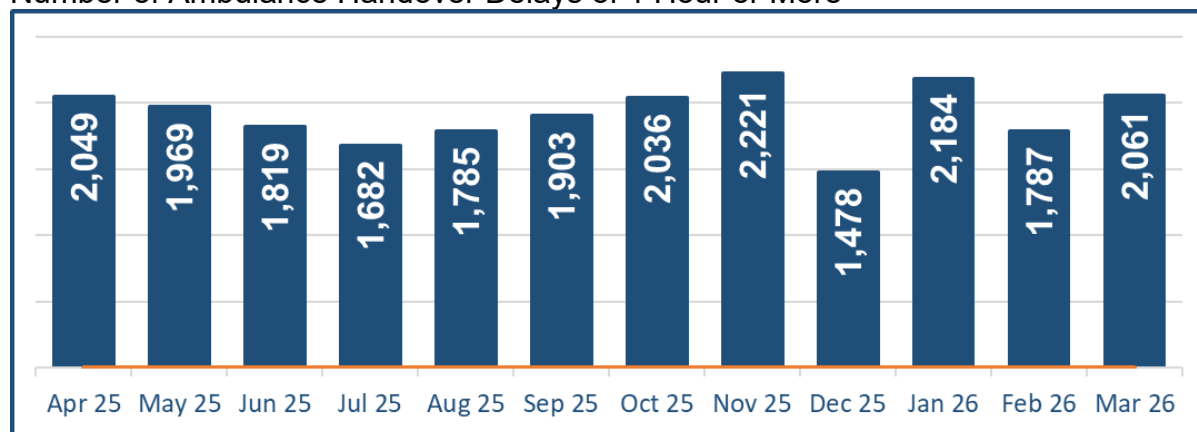
Betsi Cadwaladr University Health Board operates three Type 1 (Acute) Emergency Departments (ED) supported by a network of nine Minor Injuries Units (MIUs) across the 6,172km² (2,383mi²) North Wales area. The health board is supported by the Royal Stoke University Hospital for major trauma patients, the Walton Centre for critical brain injuries and Royal Liverpool Heart and Chest for complex cardiology cases.

Ambulance Conveyances

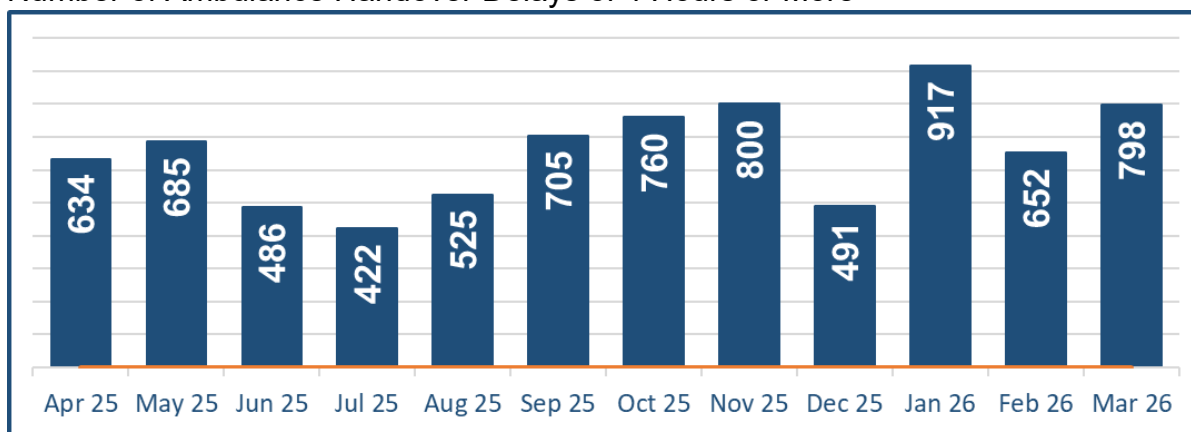
At, 43,061, there were 1,858 fewer ambulance conveyances to our hospital sites in 2025/26 compared with 44,919 in 2024/25 a 4% reduction. The timeliness of patients being handed over from the ambulance into the hospital is an important elements of care, not only for the individual involved but to release the ambulance to attend other calls in the community. There is a mixed picture of performance to report. The number of people having their care handed over within 45 minutes increased from 16,193 in 2024/25 to 16,455 in 2025/26. Patients waiting more than four hours for their care to be handed over, however, also increased (from 7,775 in April 2025 to 8,379 in March 2026 a 4% increase throughout the year).

The majority of these delays occur when the emergency department is full and it is clinically safer to manage the patient in the ambulance. However, this can then impact the ability of the Welsh Ambulance Service Trust (WAST) to deploy ambulances to other emergencies. Ambulance handover delays are mainly a consequence of system flow constraints, not a single point failure.

Number of Ambulance Handover Delays of 1 Hour or More



Number of Ambulance Handover Delays of 4 Hours or More



Emergency Departments

Between 1 April 2025 and 31 March 2026, there were more than 180,000 attendances to our three Acute Emergency Departments, an average 493 attendances per day. This is an increase of 1,112 attendances (0.6%) compared with 2024/25. During the same period, there were over 66,000 attendances to our nine Minor Injuries Units (MIU), an average of 181 attendances per day. This is an increase of 1751 (0.03%) attendances compared with 2024/25.

Unfortunately, performance has worsened over the year with the average percentage of patients spending more than 12 hours in our emergency departments up from 22% to 24%. The number of patients experiencing waits of more than 12 hours increased from 38,976 to 43,908 (13% increase) and those waiting more than 24 hours increased from 18,188 to 21,728 (19% increase).

Delayed Pathways of Care

Delays in hospital flow, including ambulance handovers and emergency department waiting times, are influenced by multiple interrelated factors. One significant contributor is delays in patient pathways of care after individuals have been assessed as medically fit for discharge. When discharge is delayed, patients continue to occupy inpatient beds, reducing capacity for new admissions. This limits patient movement from the emergency department to wards, increasing waiting times and contributing to crowding. In turn, this impacts ambulance handovers, as emergency departments become less able to receive new patients promptly. These delays are often linked to factors beyond the hospital, such as the availability of social care, community services, and the coordination required for patients with complex needs. As a result, delays in discharge pathways can create bottlenecks across the system, making them a key, though not sole, driver of reduced hospital flow and performance pressures.

Through 2025/26 there was an average of 318 patients a month whose pathway of care was delayed. The monthly average delayed days has increased from 10,721 days to 12,520 days from 2024/25 to 2025/26. There has been an overall increase of 21,583 delayed days when comparing the total number of delays days in 2024/25 to 25/26. These range from delays in internal assessments, multi-agency assessments (social care and local authority), compiling the appropriate packages of care and lack of beds in nursing and care home settings.

Winter Sprints

Welsh Government directed two winter sprints across Wales to improve pathway of care delays and improve patient flow in collaboration with local authorities.

Sprint 1 delivered improvements, including a 21.8% reduction in patients experiencing Pathway of Care delays (PoCD) and a 13.9% reduction in lost bed days, while also strengthening multidisciplinary working, discharge visibility and weekend flow.

Sprint 2 focused on sustaining this progress, embedding behaviours, strengthening data-driven decision-making, and ensuring that improvements were maintained during post-Christmas seasonal pressures. The system demonstrated faster recovery than in previous winters, confirming increased resilience across all three acute sites.

Stroke Care

Performance in stroke care during the reporting period is below the standards expected by the population of North Wales. Compliance with several Sentinel Stroke National Audit Programme (SSNAP) measures remains low, highlighting persistent challenges across the stroke pathway.

On average, 112 patients per month are admitted with suspected stroke, of these 27% of patients are transferred to an Acute Stroke Unit (ASU) within the four-hour target. Performance varies across sites with 46.5% compliance in Ysbyty Gwynedd 20.8% at Ysbyty Glan Clwyd and 18.4% at Ysbyty Maelor.

Only 13.2% of patients eligible for thrombolysis received treatment, against a national target of 20%. Similarly, just 2.8% of patients underwent thrombectomy, 7.2 percentage points short of the 10% national target.

Both thrombolysis and thrombectomy are time-critical interventions that significantly improve outcomes when delivered promptly following stroke onset. Lower treatment rates may, in part, reflect patterns of presentation that delay recognition and escalation. Approximately 50% of stroke patients self-present to emergency departments across the health board, rising to over 60% in Wrexham Maelor Hospital during several months of the reporting period. Additionally, limited access to stroke specialist staff out of hours contributes to variability in the management of acute stroke patients, impacting overall performance against key indicators.

While current performance highlights the need for improved pathway coordination, earlier case identification, and stronger cross-system working, there are early signs of progress. The introduction of pre-hospital video triage in mid-February 2026 is supporting earlier diagnosis and facilitating timely access to treatments such as thrombolysis and thrombectomy.

The planned rollout of Computed Tomography (CT) perfusion imaging, later this year which extends the therapeutic window for reperfusion treatments, will improve access to these interventions and drive performance gains.

Enhancing hyper-acute stroke pathways, particularly timely admission to Acute Stroke Units (ASUs) and increased access to reperfusion therapies, will be critical to

improving patient outcomes and reducing unwarranted variation in care across North Wales.

Six Goals for Urgent and Emergency Care programme

Delivery of the national Six Goals for Urgent and Emergency Care programme, alongside key local major programmes, continues to mature and strengthen. This work is underpinned by effective regional partnership arrangements with the Welsh Ambulance University Services Trust (WAST) and our six local authority partners, with a shared commitment to improving outcomes and access to services for the local population.

Key improvement initiatives include the development of community-based falls prevention services, the implementation of a robust Urgent and Emergency Care Single Point of Access (SPOA), and the establishment of Acute Front Door Frailty Services across all acute hospital sites.

Planned Care and Cancer

Cancer

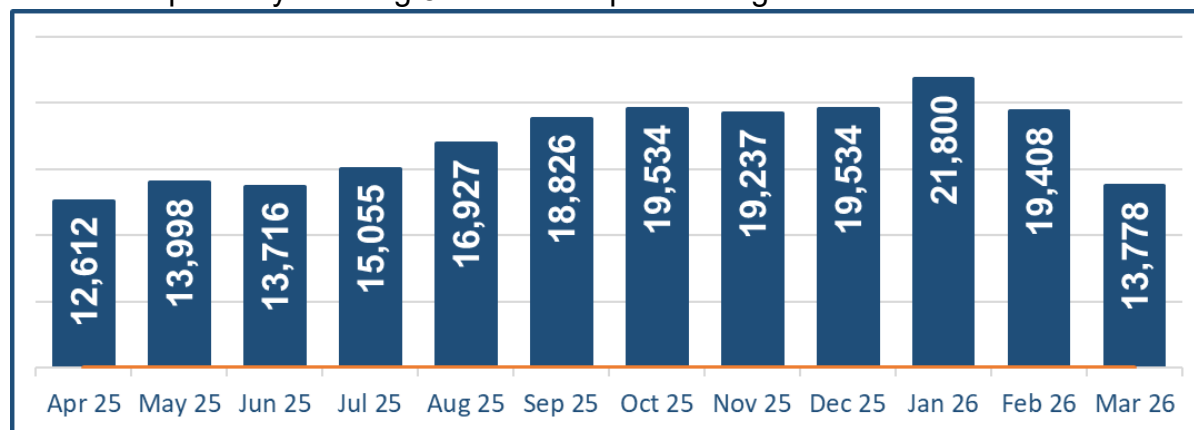
During 2025/26 more than 55,000 patients were referred to the health board with suspected cancer. Of these, over 5,700 were diagnosed with cancer (approx. 10%). Each month over 4,500 people have tests for suspected cancer with approximately 4000 patients being given the positive news that cancer was not detected. The numbers of patients coming through this fast track process has steadily risen over the last 5 years, but is now stabilising. This increase in numbers has challenged the health board to find the required service capacity to meet the 62 day timescales set for this pathway.

Performance against the suspected cancer pathway (SCP) target therefore, remains challenged with overall compliance falling to 55.5% over the course of the year. Workforce pressures remain within a number of key specialties including dermatology, gastroenterology and urology and these key areas present delays for the greatest number of patients.

Over the course of the year the health board has expanded its teledermoscopy service to support the dermatology services, as well as contracting additional activity from external parties. Within gastro-intestinal services, a new nurse led triage service has been introduced on all sites to streamline pathways and reduce time to diagnosis.

Diagnostics

Number of pathways waiting 8 weeks for specific diagnostic



The number waiting over eight weeks for a reportable diagnostic procedure increased during the year. This was due in part to the additional focus on reducing the number of patients waiting over 52 weeks for their first outpatient appointment from over 30,000 in August 2025 to 5,858 at the end of March 2026 which in turn generated additional demand for diagnostic investigations.

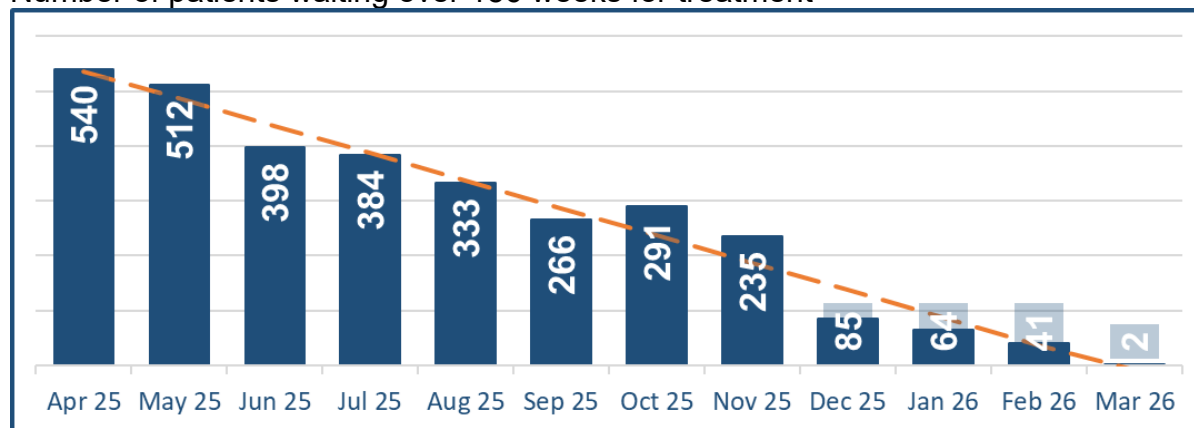
Additional capacity was commissioned throughout the year in some areas and specifically during quarter 4 to support modalities within radiology and endoscopy. This supported the reduction in the numbers waiting between January 2026 and end of March 2026. This improvement is expected to continue during 2026/27.

Referral to Treatment (RTT) Pathways

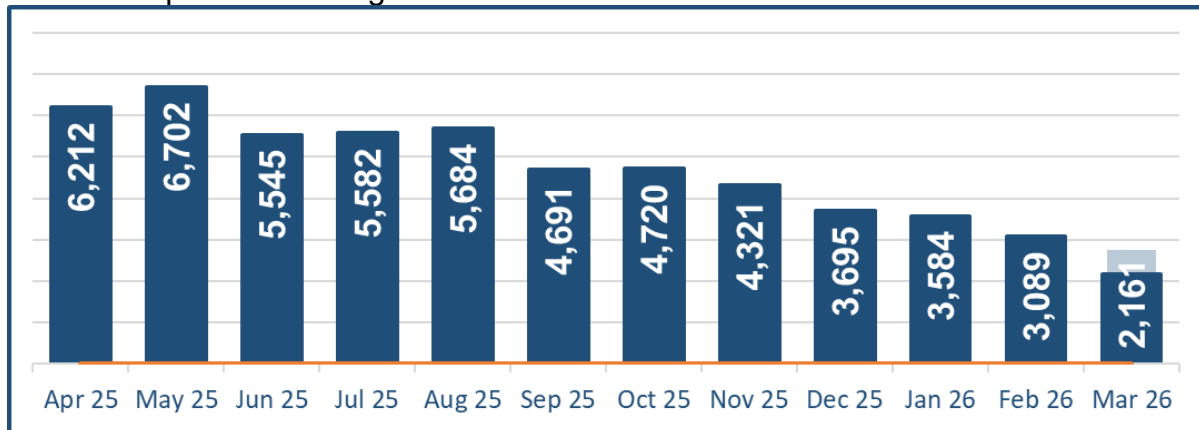
A Referral to Treatment (RTT) pathway covers the four stages a patient will follow after being referred to hospital treatment. These are:

- Stage 1: time spent waiting from referral to first outpatient appointment
- Stages 2 and 3: Diagnostic tests, scans or other procedures that may be needed before being treated, including a decision about next steps in treatment if needed
- Stage 4: the wait for treatment to start (inpatient or day-case)

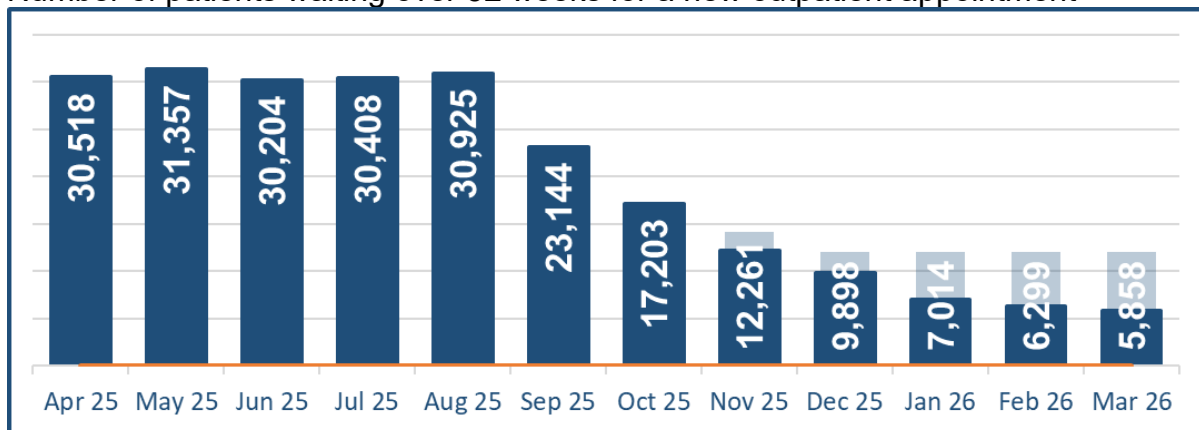
Number of patients waiting over 156 weeks for treatment



Number of patients waiting over 104 weeks for treatment



Number of patients waiting over 52 weeks for a new outpatient appointment



Throughout 2025/26 there has been a focus on reducing the number of people experiencing the longest waits. As at the end of March 2026, there were no patients waiting 208 weeks or more maintaining the position from 2025.

Patients waiting more than 156 weeks and 104 weeks have been the main focus through the year with significant reductions in both cohorts. The 156-week position has reduced from 599 at the end of March 2025 to two patients at the end of March 2026. Similarly, the 104+ week breach performance at 2,161 has improved by 63% since the end of March 2025 - a reduction of 3,658 patients. This is in addition to the approximately 2500 patients seen each month on the routine care pathways. Well over 30,000 people have been seen during the year within Referral to Treatment pathways.

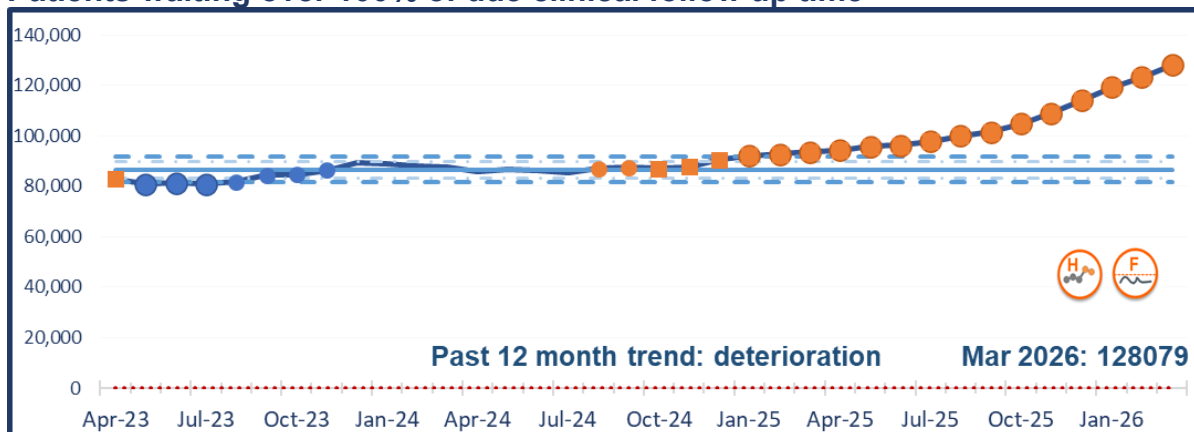
Continued reduction is expected for patients waiting within the 104 weeks cohort and the health board is receiving further support from NHS Performance and Improvement in this area.

The number of patients waiting more than 52 weeks for a new outpatient appointment has reduced significantly through the year from a high of 31,357 in May 2025 to 5,858 at the end of March 2026 a reduction of 83.1%.

In 2025/26, the health board continues to face many challenges and continues to meet these challenges through;

- enhanced utilisation of in-house capacity
- validation of patients waiting for procedures
- implementation of Treat-in-Turn methodology and
- engagement with the commercial sector to offer short term solutions to capacity shortfalls.

Patients waiting over 100% of due clinical follow up time



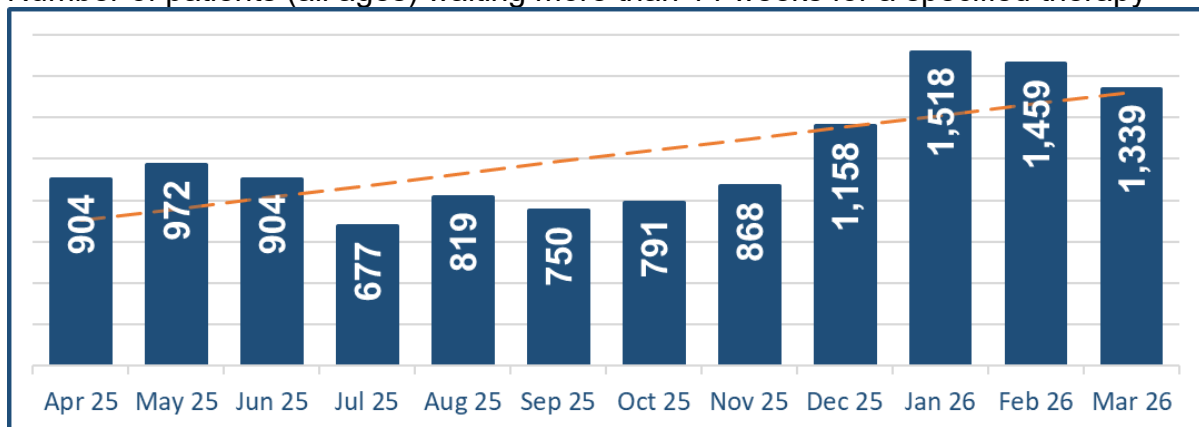
The number of patients waiting beyond 100% of their due clinical follow up has increased throughout the year to 128,079 at the end of March 2026. The four specialties with the highest volume of patients waiting beyond 100% are ophthalmology, gastroenterology, trauma and orthopaedics and urology which combined account for 45.4% (58,144) of the total.

The Planned Care Major Change Programme provides the framework to integrate pathway redesign, national best practice, GIRFT recommendations and value-based healthcare principles.

Therapy Services

The number of patients experiencing waits more than 14 weeks for therapy interventions has seen an increase over the year. Main pressures are in physiotherapy, due to a lack of available suitable accommodation, as well as dietetics being impacted by staffing levels.

Number of patients (all ages) waiting more than 14 weeks for a specified therapy



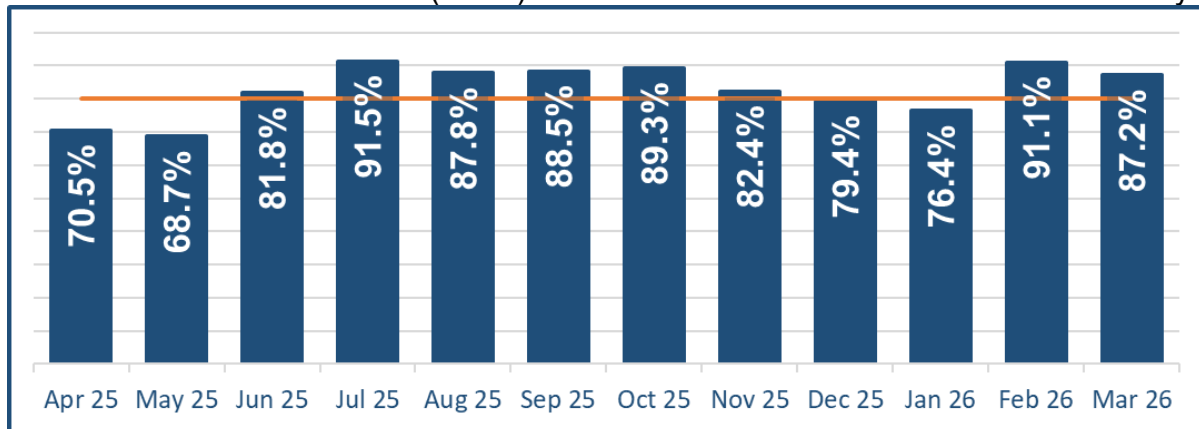
Mental Health and Learning Disabilities (MHL) (18 years and over)

Mental Health

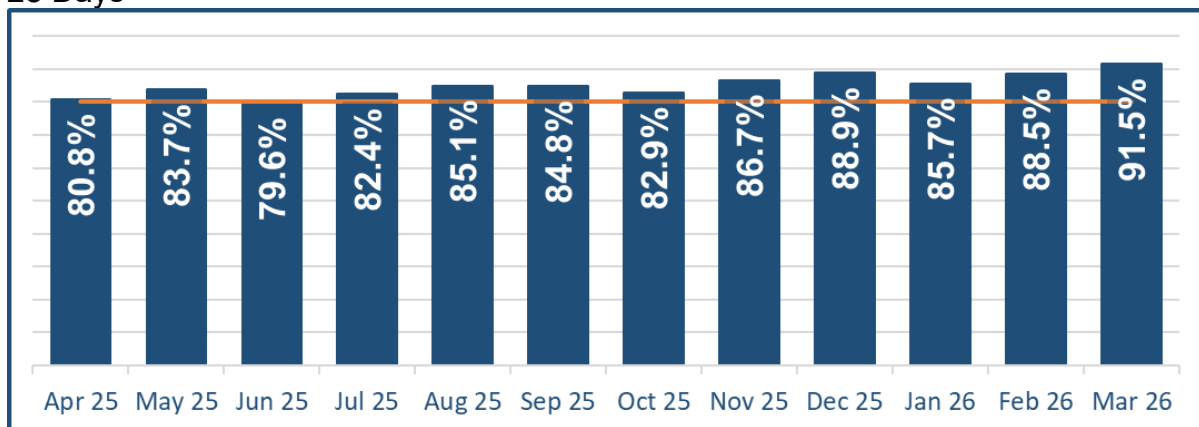
The health board has welcomed the publication of the Welsh Government Mental Health and Wellbeing strategy which along with the facilitating Strategic Programme for Mental Health is supporting us to make improvements across our services with shared knowledge and direction across Wales. Complementing our existing transformation portfolio we have established a working group to develop and deliver an open access model for Mental Health services in North Wales. This will improve access for our patients and will ultimately be supported and enhanced by the implementation of an Electronic Health Record which we have progressed through to procurement stage this year. We have also expanded on the delivery of our specialist services with the development of a gambling harms service that launched in April 2026.

Performance against part 1 (assessment) of the Mental Health Measure (MHM) has improved on the previous year. The health board delivered 1,051 more assessments and 426 more first interventions than in the previous year under part 1 of the Mental Health Measure. We have launched the enhanced use of Silver Cloud electronic platform in March 2026 to further support patients with mild to moderate mental health needs.

Adult Mental Health Measure (MHM) Part 1a: Referral to Assessment within 28 Days

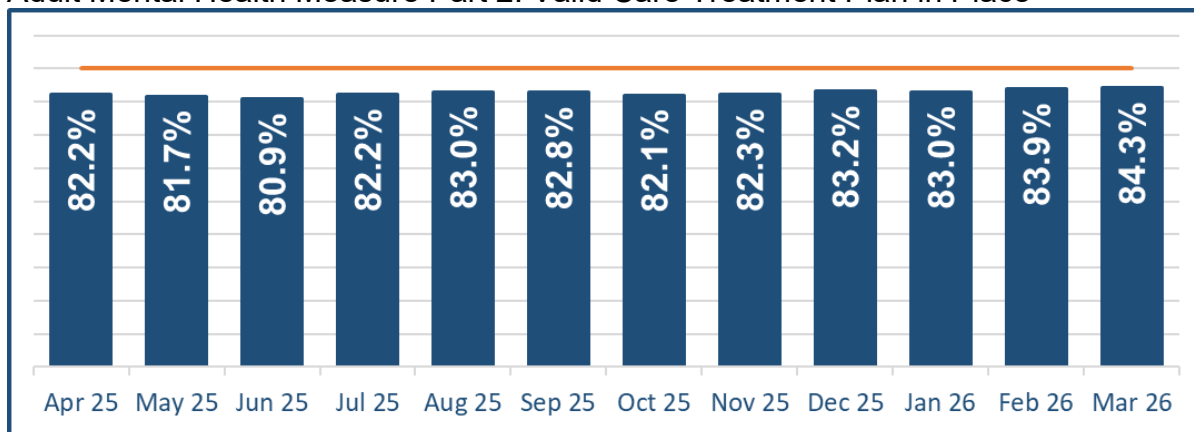


Adult Mental Health Measure Part 1b: Assessment to Therapeutic intervention within 28 Days



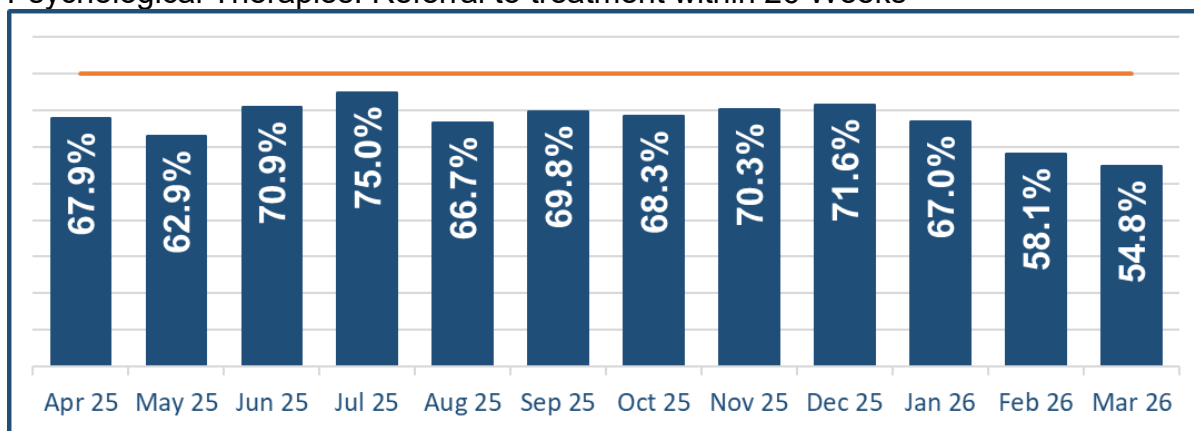
The MHM Part 2 delivery although relatively consistent remains short of the target. The teams have commenced an improvement action plan that looks at pathways, crisis management in community as well as data recording to ensure we are moving towards an improved position for our patients going forward.

Adult Mental Health Measure Part 2: Valid Care Treatment Plan in Place



Staffing issues have been the main influence on delivery against the psychological therapies measure which has seen a performance downturn in year. Planned recruitment in early 2025/26 will support recovery of this position.

Psychological Therapies: Referral to treatment within 26 Weeks



Psychological therapies performance demonstrated improvements through the year but have been affected by environmental issues that have impacted on their ability to provide service in line with need. Solutions are being developed to improve the position for both patients and staff.

Out of Area Placements

The Health Board has made significant progress in reducing Out of Area (OOA) placements during 2025/26. The year commenced with 17 patients in OOA placements, reducing to 10 patients by the end of March 2026. This achieved the locally agreed year-end target of 10 patients and reflects sustained focus on improving patient flow, strengthening clinical oversight, and maximising local service capacity.

Building on this progress, Mental Health Services have developed an ambitious programme for 2026/27 with the aim of eliminating OOA placements entirely. The pathway to achieving a zero OOA position is underpinned by five key enablers: strengthened clinical oversight and decision-making, enhanced crisis and admission avoidance services, improved patient flow and reduced length of stay, pathway redesign and capacity optimisation, and robust governance and accountability arrangements.

Key actions include increased senior clinical oversight of all OOA requests, implementation of a purposeful admissions model with clear discharge planning from the point of admission, development of enhanced community-based crisis alternatives, strengthened management of discharge delays, evaluation and wider rollout of successful service models, and executive-level monitoring of OOA activity. Together, these measures will support the delivery of sustainable local care pathways and further reduce reliance on OOA placements during 2026/27.

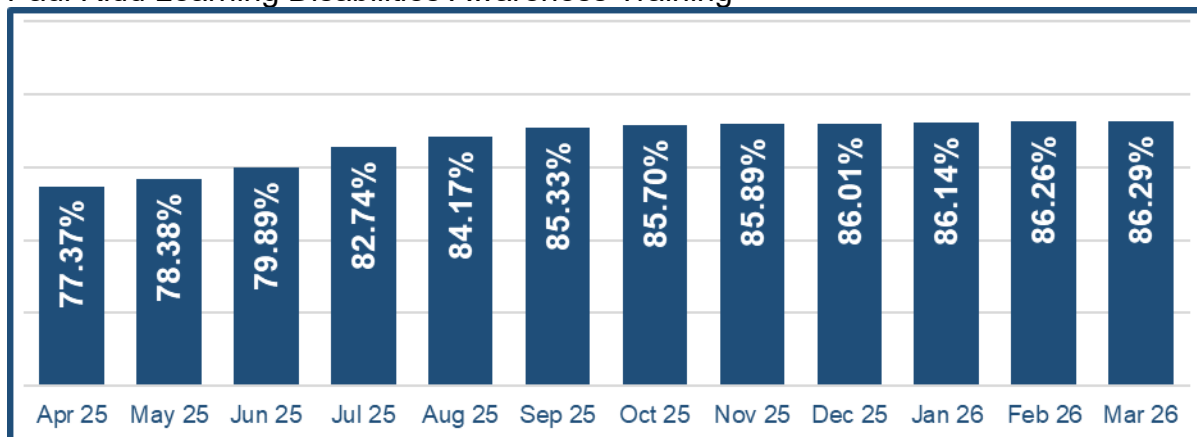
Learning Disabilities

There are over 3,000 adults registered with GPs as having a learning disability within the health board's population. Of these, 763 were engaged with BCU Adult Learning Disabilities Services at year end. We continue to work in partnership with GP practices to support their remit for delivering Annual Health Checks (AHCs) to individuals with learning disabilities. This includes both patient-facing support and collaboration with practices, alongside the utilisation of the current All-Wales primary care data systems, which have been introduced to strengthen the recording, monitoring and reporting of AHC activity across GP practices. We are working with GP practices and digital teams to optimise data quality, improve coding consistency, and enhance data flows within these systems. Patient-facing support focuses on facilitating the uptake and delivery of health checks for patients, particularly those in hard-to-reach locations, through our Health Liaison Team and 'Lab in a Bag' initiatives. In addition, where access to GP services continues to be limited, we are further strengthening collaborative clinic models with GP's, to improve accessibility and ensure equitable provision of health checks. For the year 2025/26, the percentage uptake of offered AHCs is reported at 37%.

The health board has commenced formal reporting on the Health Equality Framework from December 2025 and by year end achieved 73% compliance against the national target of 80%.

The health board has seen a gradual increase in uptake of the Paul Ridd Learning Disabilities Awareness Training and are achieving 86.29% at year end against the 50% target.

Paul Ridd Learning Disabilities Awareness Training

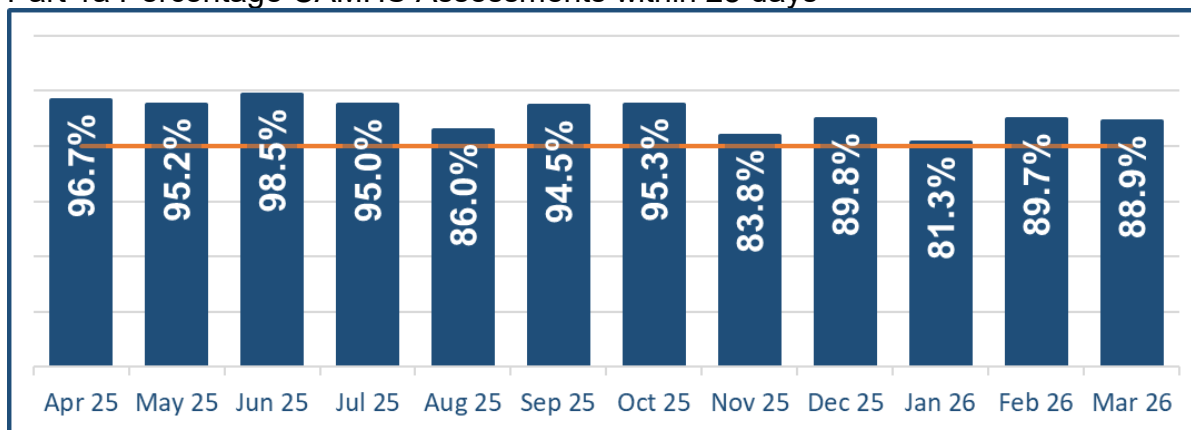


Children's Services

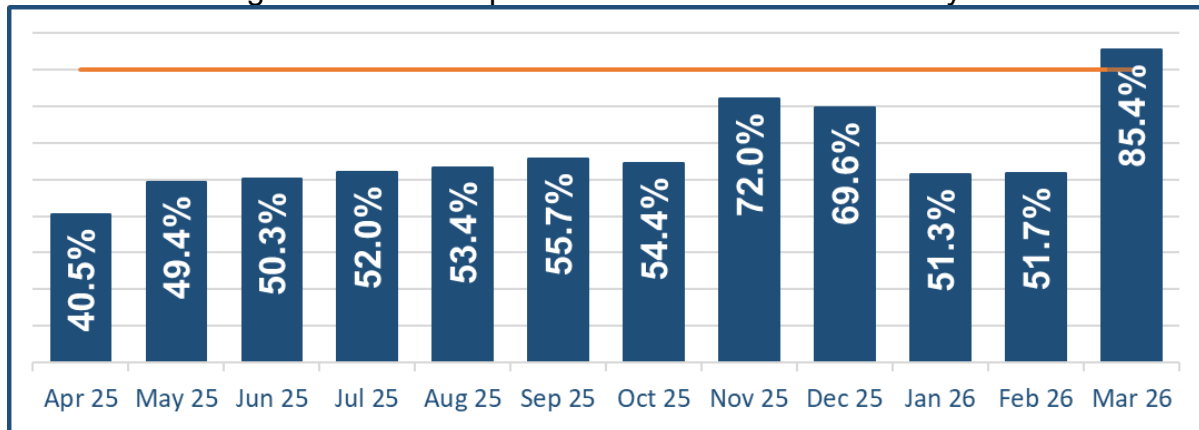
Children and Adolescent Mental Health Services (CAMHS)

At 88.9% for Part 1a (target 80%) and 91.3% (target 90%) for Part 2 of the Mental Health Measure, the Health Board has demonstrated sustained delivery in the provision of assessments and valid care and treatment plans for under 18's. Improvements have been made for compliance against Part 1b, with achievement of 80% target in March 2026 at 85.4%. The development of the group provision within the CAMHS service will support the sustainability of meeting the Part 1 targets. The development of new services such as the Children's Hub service in Rhyl continues, working together with the education and social care services.

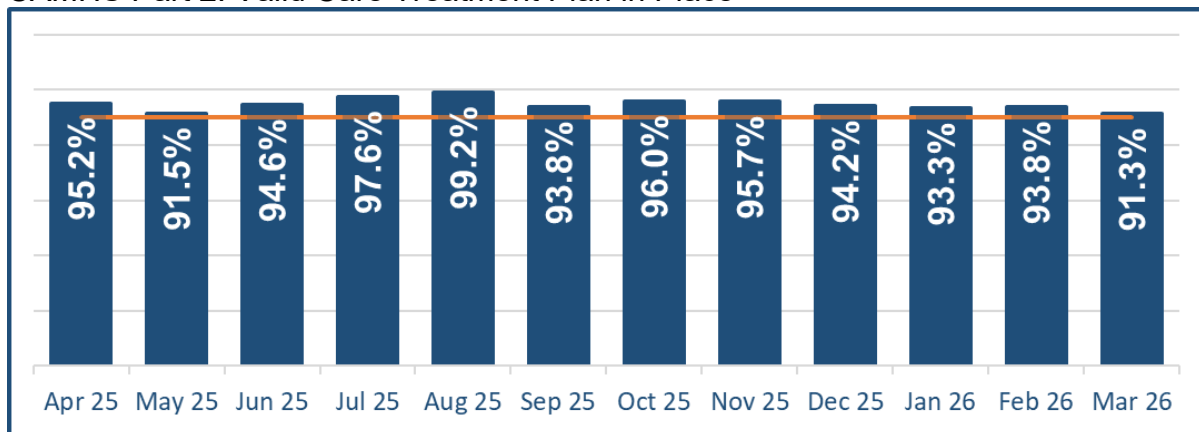
Part 1a Percentage CAMHS Assessments within 28 days



Part 1b Percentage CAMHS therapeutic Interventions within 28 days of assessment



CAMHS Part 2: Valid Care Treatment Plan in Place

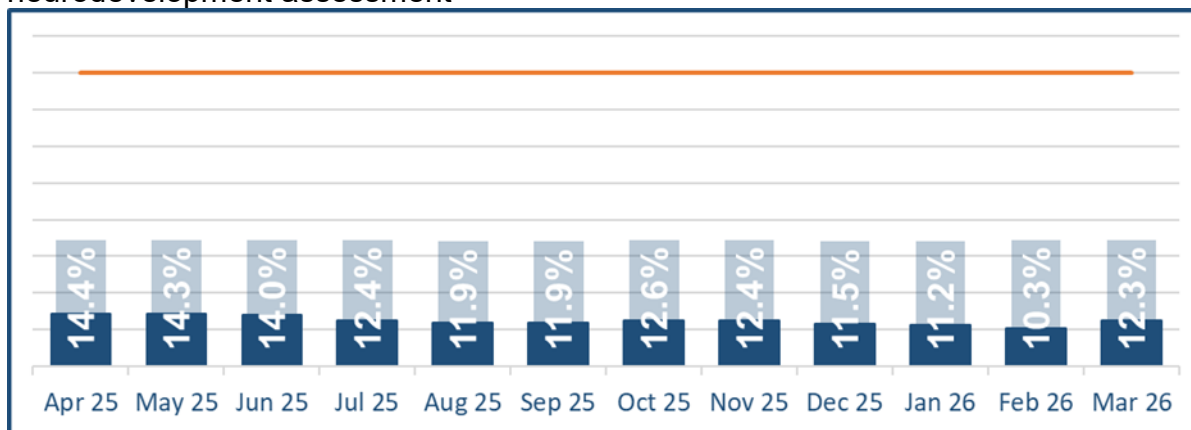


Neurodevelopment

In North Wales, there were 6,920 children and young people on the waiting list for a neurodevelopment assessment waiting at the end of March 2026. There has been a significant increase in demand for assessments in recent years in line with the national picture alongside limited capacity within the relatively small teams. Performance against the neurodevelopment 26-week target for children and young people to access the neurodevelopment service is poor at 12.3% in March 2026 compared with 15.1% in March 2025.

Following a review of the full assessment process and the introduction of prudent assessments, the activity undertaken by the teams has increased by 63%. Consequently, the monthly capacity gap has reduced from 227 to 154 across the health board.

Percentage children and young people waiting less than 26 weeks for neurodevelopment assessment



It is recognised nationally, that current service models for children and young people requiring assessment, diagnosis, and support for neurodivergent conditions are no longer fit for purpose. In recognition of this, health boards in Wales are working alongside local Children's Regional Partnership Boards and Welsh Government to develop appropriate service models and pathways that better meet the needs of children and young people. In the meantime, the health board is taking action to reduce the waiting times for children needing access to the service, including insourcing and outsourcing additional capacity.

5. Well-being of Future Generations (Wales) Act 2015

The Well-being of Future Generations (Wales) Act 2015 sets out a number of requirements for individual public bodies, including Betsi Cadwaladr University Health Board. These include a requirement to:

- Set and publish well-being objectives that maximise the Health Board's contribution to the seven national well-being goals (s.3(2)(a)) and take all reasonable steps to meet those objectives (s.3(2)(b)).
- Publish a statement regarding well-being objectives (s.7(1)).
- Publish an Annual Report showing the progress made in meeting the organisation's objectives (s.13(1) and Sch.1).
- Comply with the Social Partnership Duty by preparing an Annual Social Partnership Report (s.18) in partnership with recognised Trade Unions.

This statement sets out how the Health Board is discharging its duties under the Well-being of Future Generations (Wales) Act 2015, and how the Health Board's strategic programme, partnerships and delivery plans are improving well-being across North Wales. It summarises progress in 2025 – 2026, describes the refreshed objectives, and highlights key areas of collaboration and system leadership.

Figure 1 - BCUHB'S Wellbeing Objectives



The refresh of the health board's well-being objectives began in July 2024 and was approved in May 2025. In setting the objectives, the health board has:

- applied the five sustainable development principles and seven national well-being goals;
- taken a long-term view of the health and care needs of our population including future demand, workforce requirements, and the impact of wider social, economic, environmental and cultural factors;
- prioritised prevention by focusing on early intervention, reducing avoidable harm and illness, and supporting people to live healthier lives for longer; and
- ensured alignment with BCUHB's Values and Behaviours framework.

A Well-being Task and Finish Group was established to oversee the work to review the objectives. In order to ensure a structured and proportionate approach, discussions took place with Welsh Government, the Office of the Future Generations Commission, other Health Boards in Wales and Trade Union representatives.

The review was informed by evidence gathered from:

- An assessment of current fair work practice and socially responsible procurement and contracting. Gaps were identified and actions to advance fair work, procurement and contracting were agreed.
- Health Board and partnership well-being activities that address health inequalities, prevention, the wider determinants of health and decarbonisation.

- A BCUHB summary of the non-pay parts of the 2022 – 2024 Collective Agreement.

In addition, a public and staff survey was published on social media and in the staff bulletin, and questionnaires were distributed to each of the three Public Service Boards in North Wales.

This work, along with the engagement feedback, provided the basis upon which BCUHB's well-being objectives were reviewed. The objectives have been designed to integrate with the seven national well-being goals, the sustainable development principle and with the plans of partners, ensuring that the Health Board's actions contribute to a coherent, system-wide approach to improving well-being across North Wales.

The objectives reflect the challenges and opportunities facing the local population, such as demographic change, health inequalities, and the climate emergency, and sets a clear direction for sustainable, long-term improvement.

National well-being goals and sustainable development principles

The WBFG Act mandates public bodies to improve economic, social, environmental and cultural well-being by acting sustainably, with a focus on five key sustainable development principles – long term thinking, prevention, integration, collaboration and involvement. The Act also defines how organisations must operate to achieve seven national well-being goals. The health board will ensure that it maximises its contribution to all of the goals.

Figure 2 – Five key sustainable development principles and seven national well-being goals within the WBFG Act



The alignment between the health board's well-being objectives and both the sustainable development principles and the seven national well-being goals helps ensure that actions build a quality health system for the people of North Wales.

Health Board strategy programme

The health board is advancing a major strategy programme designed to shape the future of health and well-being across north Wales. The WBFG Act provides the framework for developing four interlinked strategic products – the Strategic Vision and Strategic Intentions), the 10 Year Strategy and the Clinical Services Plan.

The five sustainable development principles are being applied to the strategy programme to ensure that the health board acts in a way that improves well-being now and in the future.

BCUHB's Strategic Products:	How BCUHB's strategic approach supports the WBFG Act:	Sustainable development principles
Draft Strategic Vision	Establishes a future focused direction that considers the needs of future generations. The vision embeds a shift towards early intervention and long-term health improvement.	Prevention
Strategic Intentions	The Strategic Intentions translate the vision into priority areas of focus that aim to reduce future demand on services and address root causes of ill health by aligning priorities with the seven national well-being goals and other public sector plans.	Prevention and Integration
10 Year Strategy	Will provide a blueprint for delivering the Vision and Strategic Intentions, embedding preventative models of care and shifting resources upstream. This will be achieved by jointly planning with partners and providing a planning horizon for BCUHB workforce, estates, digital & financial sustainability.	Collaboration and Long-Term
The Clinical Services Plan	Will focus on how services will be organised to meet future needs by designing clinical pathways that reduce avoidable harm, illness and service demand. Patients, clinicians and communities will help shape service models that meet population needs and deliver safe and sustainable care.	Prevention, Collaboration and Involvement

Measuring Progress

The health board's Long-Term Strategy and Clinical Services Plan will bring together the strategic intentions, well-being objectives and key strategic plans into one place, setting out the framework for the next iteration of the Integrated Medium Term Plan.

(IMTP) This will include measurable improvements against an agreed set of indicators that will be aligned to the draft strategic vision, performance indicators and set against the well-being objectives and national outcomes frameworks.

In order to do this we will work with staff and partners to agree the overarching outcomes that we will seek to achieve. Whilst the health board is not solely responsible for every factor determining the overall health and well-being of the North Wales population, the indicators and outcomes will act as a guide in demonstrating the impact and delivery of the Long-Term Strategy and Clinical Services Plan.

What Next

Our well-being objectives provide the foundation for improving how we work to improve health and well-being and address inequalities. The IMTP 2026 – 2029 and Annual Delivery Plan 2026 – 2027 sets out actions for delivery which underpin the Health Board's strategic intentions and draft vision statement.

As part of the broader engagement on the development of the Health Board's Long Term Strategy and Clinical Services Plan – a further review of the well-being objectives will be undertaken with partners and stakeholders that is aligned to the timescales for engagement on the Long-Term Strategy. This will include consideration of the messages contained in the report 'No time to lose: Lessons from our work under the Well-being of Future Generations Act' – published by Audit Wales in April 2025.

6. Welsh Language

The provision of services in patients' and service users' preferred language remains a fundamental component of high-quality care and is particularly critical for vulnerable individuals. The Health Board operates within the statutory framework established by the Welsh Language (Wales) Measure 2011, complying with the Welsh Language Standards and remaining accountable to the Welsh Language Commissioner for assurance and external scrutiny.

Our approach is aligned with the Welsh Government's strategic framework for Welsh language services in health and social care, More than just words. Strategic leadership and oversight for Welsh language service provision are delivered through the health board's Welsh Language Strategic Forum. The Forum meets quarterly to consider matters relating to accountability, risk management, concerns reporting, and the formal recognition of achievements.

Over the past year, key areas of focus have included:

- Strengthening operational delivery of the Welsh Language Standards, including implementation of the five-year plan associated with Standard 110, which outlines how capacity can be increased to deliver clinical consultations in Welsh, with targeted work directed at priority groups
- Prioritising the Welsh Language Training Programme for staff groups aligned to the Standards and the More than just words five-year plan
- Enhancing cultural awareness and visibility of the Welsh language through internal campaigns, activities, and the dissemination of best practice

- Maximising partnership opportunities, including collaboration with the National Centre for Learning Welsh to support in-house work-based training, and providing translation services to other health boards through a Service Level Agreement to optimise capacity and expertise

Through this work, the health board continues to embed a patient-centred approach that ensures individuals receive timely care delivered in their language of choice, supporting both quality and equity in service provision.

The infrastructure of the Welsh Language Team is aligned to four specific areas of focus that support the delivery of its requirements and objectives. Progress has been made across all areas to enhance our capacity to provide services in Welsh.

Legislation and Governance

As a public sector organisation operating under the legislative framework of the Welsh Language (Wales) Measure 2011, it is the Health Board's duty to ensure that the Welsh language is treated no less favourably than the English language when accessing health care services.

Over the past year, work has centred on strengthening the integration of Welsh language requirements across key organisational programmes. The Welsh Language Team has played a central role in shaping the specifications for the new Mental Health patient record system, ensuring that language choice is embedded from the outset of system design.

Further progress has been made in enhancing equality impact assessments relating to service changes, ensuring that Welsh language considerations are fully mainstreamed within planning and decision-making processes.

As part of the Welsh language governance arrangements, quarterly Mystery Shopper reviews are undertaken to assess organisational compliance with the Welsh Language Standards and to identify opportunities for further improvement. These reviews examine the visibility and accuracy of bilingual signage, the quality of first-point-of-contact interactions, and the availability of Welsh-language resources. The findings support consistent delivery of services for Welsh-speaking patients across all sites and highlight areas where patient experience can be strengthened across face-to-face, telephone, and digital channels. Outcomes from these exercises are addressed through established governance processes, helping to enhance service quality and reinforce the emotional well-being of patients, in line with the Health Board's commitment to high-quality bilingual care.

Promotion and Implementation of the 'Active Offer'

During the reporting period, the health board undertook a series of initiatives designed to strengthen staff awareness of the value of the Welsh language and to enhance future patient experience.

Through collaborative working with Careers Wales, the Welsh Language Team delivered a programme of workshops, mock interviews, and careers fairs across high schools and colleges in north Wales, promoting Welsh language skills as an essential

asset for future employment in health and care. This early engagement supports the long-term development of a bilingual workforce, contributing to improved patient outcomes by ensuring that future staff are equipped to communicate confidently with Welsh-speaking patients. The activity also raises awareness among prospective employees of the Health Board's expectations regarding bilingual service delivery.

The Welsh Language Team undertook a range of external engagement activities during the National Eisteddfod in Wrexham in August 2025, where they engaged directly with patients, the public, and partner organisations. The health board hosted an information stall, gathered feedback through a questionnaire on access to Welsh language services, and promoted awareness of the team's role across the Health Board. Further activities included as part of the Eisteddfod were collaborative sessions with Careers Wales, participation in a panel discussion with Wrexham University on the importance of Welsh language skills in early career development, and a celebration event recognising the achievements of the health board's Welsh language learners. These engagements strengthened public understanding of the health board's bilingual ambitions and reinforced the value of Welsh language capability within the workforce.

The health board's annual Welsh Language Week was held in October 2025, and as part of the activities, the health board launched a More Than Just Words video, in collaboration with Welsh Government, detailing services offered by the Children's Ward at Ysbyty Glan Clwyd. The video shared the experience of a mother and son who had accessed Welsh language services from admission onwards, noting the difference it had made to the care received. During the week-long activities, Mudiad Meithrin and Cymraeg i Blant visited the Children's wards at all three acute sites with the Welsh cartoon character, Dewin, to promote early-years Welsh language engagement, reinforcing the importance of language choice for children and families. Information stalls were held across the three acute hospitals and three community hospitals, where staff were encouraged to make personal pledges to increase their use of Welsh in daily interactions.

These activities strengthened staff awareness of the practical steps they can take to support bilingual care and contributed to improved patient experience by fostering a more welcoming and linguistically sensitive environment. As a result, these internal and external engagement activities demonstrate continued progress in embedding the Welsh language across the organisation and in strengthening outcomes for both patients and staff.

Developing the Workforce

The Health Board's Welsh Language Training Team has delivered another highly successful year, developing and implementing a comprehensive programme of Welsh language courses designed to meet organisational needs. The Team has continued to adopt a strategic approach by aligning training provision with legislative requirements and proactively identifying areas across the organisation where additional learning support is required.

A wide range of Welsh language courses continued to be offered to staff across all levels of the Health Board, including dedicated programmes for reception staff in both

acute and primary care settings. Additional provision included the Turbo Charge Your Welsh intensive one-to-one support sessions, and the delivery of Cwrs Croeso as an introductory short course to build foundational Welsh language skills. Following completion of these sessions, the vast majority of participants progressed to further learning with the in-house Tutor. Demand for training has increased significantly, reflecting both organisational need and strong staff engagement.

The Health Board has maintained its formal partnership with the National Centre for Learning Welsh for the 2025–2026 reporting period, with a continued emphasis on the Work Welsh Scheme. Working collaboratively with the Welsh Language Team, the Centre delivered a targeted programme for Speech and Language Therapy Services, aimed at strengthening staff confidence and Welsh language proficiency. The partnership also provided enhanced workplace-based training support to staff at operational level.

In March 2026, the Health Board held its Learner of the Year event to celebrate staff achievements. The event recognised the commitment of learners who have undertaken Welsh language development to enhance the organisation’s ability to provide care in a patient’s first language. It also provided an opportunity for staff to share their motivations for learning Welsh, highlighting the importance of building confidence to use the language in professional contexts. The event was highly successful and demonstrated the growing integration of the Welsh language into daily operational practice across the Health Board.

The Health Board has also continued to contribute to the North Wales Medical School Medicine Programme for first- and second-year students, working in partnership with Bangor University to deliver Welsh language awareness sessions and informational lectures. This engagement supports the development of future healthcare professionals by ensuring they are informed about the Health Board’s expectations and requirements regarding Welsh language provision.

Translation Services

The Translation Team continues to play a central role in supporting services across the Health Board by delivering written translation and interpretation provision. Ongoing growth in demand highlights the organisation’s commitment to offering timely, high-quality bilingual communication in line with the Welsh Language Standards and reflects increasing staff understanding of their responsibilities in ensuring the Welsh language is visible and embedded in day-to-day operations.

Maintaining robust quality assurance processes remains a priority for the team, with urgent and time-critical requests managed promptly to ensure that both patients and staff can access essential information in their language of choice without unnecessary delay.

During 2025–2026, the team formalised a Service Level Agreement with Aneurin Bevan University Health Board to provide written translation support. This partnership has proved highly effective, and both organisations have agreed to continue the arrangement into 2026–2027, demonstrating the team’s strong performance, reliability, and capacity to deliver high-quality translation services.

The following data demonstrates the Health Board's compliance with its regulatory reporting duties.

- The number of complaints received during the reporting year relating to compliance with the Welsh Language Standards was five. The primary issues raised were English only correspondence and signs, telephony service, and language choice during interview. One complaint was escalated to investigation status.
- The percentage of employees who have recorded their language skill level on the Electronic Staff Register (ESR) at the end of the reporting year were 96.22%, which is an increase from last year. A breakdown per language skill level is provided below.

Employee Number	2025/26	
Individual Proficiency Level	Total	%
0 – No Skills / Dim Sgiliau	10,717	48.82%
1 – Entry/ Mynediad	2,845	12.96%
2 – Foundation / Sylfaen	1,429	6.51%
3 – Intermediate / Canolradd	1,551	7.06%
4 – Higher / Uwch	1,640	7.47%
5 – Proficiency / Hyfedredd	2,941	13.40%
Total	21,123	96.22%
Total number of staff	21,439	

The number of new and vacant posts advertised during the reporting year, categorised as posts where:

- Welsh language skills were essential – 274
- Welsh language skills needed to be learnt when appointed to the post – 69
- Welsh language skills were desirable – 3631
- Welsh language skills were not necessary - 10

The Health Board produces a separate annual report focusing specifically on Welsh Language Services, which addresses the reporting requirements set out within the Welsh Language Standards. This report is published on the Health Board's website within six months of the end of the financial year, and will be available at [Welsh Language - Betsi Cadwaladr University Health Board](#).

The 2025-2026 report will be published in September 2026.

7. Sustainability

With evidence of climate change increasingly prevalent, the Health Board has continued its commitment towards reducing the impact of our activities. We have undertaken a number of actions and will continue to take actions to contribute towards delivering a net-zero Public Sector by 2030. Progress and updates are outlined below:

ISO 14001:2015 Environmental Management System

ISO14001:2015 remains embedded throughout the Health Board, with certification maintained following the 3-year reaccreditation achieved on 4th May 2024. During the 2025/2026 reporting period, the Health Board has continued to strengthen the Environmental Management System through:

- Continued surveillance and internal audit programmes
- Strengthening governance arrangements
- Continuing to close out all previously identified non-conformities

The Environmental Management System continues to:

- Enhance environmental performance
- Ensure compliance with statutory and regulatory obligations
- Support delivery of environmental objectives aligned to the Decarbonisation Action Plan

Environmental & Waste Training

The e-learning package for environmental and waste management remains embedded across the organisation and continues to be a mandatory training requirement.

During 2025/2026:

- Compliance levels have been maintained at a high level (above 90%).
- Additional focus has been placed on targeted training in high-risk areas, particularly waste segregation.
- Work is ongoing to improve training accessibility and engagement.

Corporate Environmental Objectives Programme

The 2022–2025 Environmental Objectives Programme reached completion during 2025. A new programme for 2025–2028 is being developed to:

- Reflect updated Welsh Government decarbonisation requirements
- Align with revised Health Board strategies
- Strengthen delivery against Net Zero ambitions

Key priorities include:

- Waste reduction and compliance with national legislation
- Improved data reporting and carbon accounting
- Climate resilience and adaptation

Waste Management

Following the introduction of the Welsh Government Waste Separation Requirements (April 2024), the Health Board has:

- Successfully embedded segregation and recycling at source across community sites
- Continued engagement with contractors and operational teams to improve compliance

During 2025/2026:

- Work has progressed within acute hospital sites, though challenges remain
- Targeted pilot schemes are being explored to support implementation
- Work is ongoing to implement Tiger Waste Stream across the Health Board

Limitations have included:

- Infrastructure limitations within wards and clinical areas
- Capacity within waste compounds
- Financial pressures
- A phased and risk-based approach is being adopted to support compliance.

Green Groups

Green Groups across all three areas of the Health Board continue to play an important role in supporting sustainability initiatives.

During 2025/2026:

- Increased clinical engagement has been observed
- Projects have focused on waste reduction and biodiversity,
- Stronger links have been established with the Environmental Steering Group

Energy & Carbon Management / Sustainable Construction

The Health Board has continued to progress delivery of its Estates Strategy and Decarbonisation Action Plan during 2025/2026.

Key Developments:

Re: Fit Programme

- Phase 1 (2025–2027) has moved into Investment Grade Proposal
- Detailed design and implementation planning is underway
- The programme remains a key “invest-to-save” initiative, targeting carbon reduction and energy efficiency

Ysbyty Gwynedd Solar Farm

- Feasibility and partnership discussions have progressed
- Planning and business case development have been advanced
- The scheme remains a key opportunity to:
 - Reduce grid reliance
 - Increase on-site renewable generation
 - Support long-term decarbonisation

Strategic Progress

The Health Board continues to:

- Embed sustainability into capital planning
- Target BREEAM “Very Good” minimum
- Maximise opportunities for low-carbon technologies

Sustainable Procurement

NWSSP Procurement Services continues to strengthen sustainable procurement practices.

During 2025/2026:

- Improved carbon reporting capability has supported better organisational understanding
- Increased engagement with suppliers on sustainability expectations
- Alignment with Welsh Government reporting guidance has been maintained

Transport

The Health Board’s travel and associated carbon emissions continue to be monitored including business travel by staff and transportation of eligible patients to and from hospital.

The annual total miles recorded reduced by 2.39% in the period. Further initiatives will be explored to continue to reduce and promote more efficient and greener travel plans, including the promotion of alternatives to travel.

BCUHB Utilities & Carbon Performance

BCUHB total utility-related carbon emissions for 2025-26 reduced by approximately 2,505 tCO₂e against the 2024-25 baseline of 32,717 tCO₂e, a reduction of 7.7%. This reduction is driven mainly by an 11.0% fall in natural gas consumption across the estate, concentrated in the East (-19%) and West (-17%) regions.

Figures in this report use the same scope and methodology as the 2024-25 sustainability figure of 32,717 tCO₂e.

Metric	2024-25	2025-26	Change	% Change
Electricity (kWh)	42,757,850	42,782,924	25,074	+0.1%
Gas (kWh)	116,608,449	103,838,244	-12,770,205	-11.0%
Water (m ³)	481,917	428,198	-53,719	-11.1%
Heating Oil (kWh)	586,149	379,799	-206,350	-35.2%
Total carbon emissions (tCO₂e)	32,717	30,211	-2,505	-7.7%

The total gross CO₂ emissions of the Health Board reduced by 7.7% in the period.

Carbon Emissions by Region

Region	24-25 tCO ₂ e	25-26 tCO ₂ e	Change	% Change
Central	12,396	12,484	87	+0.7%
East	9,811	8,506	-1,305	-13.3%
West	10,509	9,222	-1,287	-12.3%
BCUHB Total	32,717	30,211	-2,505	-7.7%

Commentary in respect of key utilities:

Gas (-11.0%)

Gas consumption fell from 116.6 GWh to 103.8 GWh, a reduction of 12.8 GWh. This single change accounts for approximately 2,340 tCO₂e of the headline reduction. The reduction is concentrated in two regions as the table below:

Region	24-25 (kWh)	25-26 (kWh)	Change
Central	41,770,956	42,296,263	+1.3%
East	34,252,148	27,725,739	-19.1%
West	40,585,345	33,816,242	-16.7%

Central gas consumption was broadly consistent (+1.3%). The reductions are concentrated in East (-19.0%) and West (-16.7%). The main contributing factor is the milder 2025-26 heating season, which is normally the largest driver of gas consumption. Reduced operating hours and the decommissioning of several West region sites (Blaenau HC, Blaenau Physio, Ewloe, Mynydd Isa, Caergwle) which appear in 24-25 records but show zero in 25-26 also contribute. Wrexham Maelor shows a gas reduction from approximately 27.8 GWh to 20.5 GWh (-26%), which accounts for most of the East regional reduction.

Electricity (+0.1%)

Total electricity consumption was effectively unchanged year on year (42.76 GWh in 24-25, 42.78 GWh in 25-26, difference +25,074 kWh). Individual region movements largely offset each other: Central -95k kWh, East -180k kWh, West +300k kWh. This is the expected pattern for an acute hospital estate where lighting, ventilation, medical equipment and IT load are relatively insensitive to weather. The carbon contribution of electricity is broadly unchanged at approximately 9,560 tCO₂e (Scope 2 plus T&D).

Water (-11.1%)

Water consumption fell from 481,917 m³ to 428,198 m³, a reduction of 53,719 m³ (11.1%).

Heating Oil (-35%)

Heating oil consumption (West region only, covering Bodfan, Criccieth, Deiniolen and Traws HC) fell from 586,149 kWh to 379,799 kWh, a reduction of approximately 55 tCO₂e. Both reductions broadly track the gas reduction at a property level, suggesting some sites had reduced occupancy or operating hours. Combined carbon contribution of water and oil is under 250 tCO₂e in either year.

Waste

Our total waste in the period reduced by 4.3% to 3,214 tonnes.

Waste		2023/24	Change from previous year	2024/25 (updated)	Change from previous year	2025/26	Change from previous year
Non-Financial Indicators (tonnes)	Total Waste	3,364	14.5%	3,359	-1.9%	3,214	-4.3%
	Landfill	0	0	0	0	0	0
	Reused / Recycled	1,957	24.9%	2,021	3.3%	1,865	-7.7%
	Composted	0	0	0	0	0	0
	Incinerated with energy recovery	1,407	3.2%	1,338	-4.9%	1,348	0.8%
	Incinerated without energy recovery	0	0	0	0	0	0
Financial Indicators (£)	Total Disposal Cost	720,812	14.3%	791,305	13.1%	789,478	-3.2%
	Landfill	0	0	0	0	0	0
	Reused / Recycled	264,458	6.5%	329,670	24.7%	373,840	6.7%
	Composted	0	0	0	0	0	0
	Incinerated with energy recovery	456,354	20.0%	461,635	1.2%	440,039	-5.4%
	Incinerated without energy recovery	0	0	0	0	0	0

Notes

- The data provided for incineration waste includes Refuse Derived Fuel & High Temperature (sharps containers).
- The Health Board also disposes of some material via other means that are not specified as a separate category within the sustainability reporting requirements. This includes 'orange bag' and 'offensive (tiger) bag' waste which is treated to disinfect it before disposal. In 2025/26 this accounted for 2,031 tonnes of waste, with a treatment and disposal cost of £967,572.24 (2024/25: 2,097 tonnes at a cost of £1,051,766.22).

8. Conclusion and Forward Look

The 2025/26 reporting year has marked a significant period of transition and consolidation for Betsi Cadwaladr University Health Board. Following sustained intervention under Special Measures, the Health Board has continued to strengthen its leadership, governance and organisational infrastructure, creating a more stable platform from which to deliver improvement.

During the year, some improvement has been observed across a number of performance and quality metrics; however, further progress is required to deliver consistent, high-quality services. Strengthening performance remains critical to improving timely access, patient experience, and clinical outcomes for the population of North Wales, as well as ensuring greater equity and reliability of care.

There has been evidence of strong financial grip and control, improved complaint response times reduction in the longest waiting times for planned care, increasing compliance across primary and community services, and strong performance in areas such as community pharmacy, CAMHS and maternity outcomes. These improvements reflect clearer priorities, targeted investment and more effective use of clinical and operational capacity.

At the same time, the health board remains candid about areas of ongoing challenge. Pressures across urgent and emergency care, delayed pathways of care, diagnostic capacity, follow-up backlogs, stroke pathways and neurodevelopment services continue to affect patient experience and system flow. While some quality indicators, including never events and national reportable incidents, require further improvement, the strengthening of investigation, learning and governance arrangements provides assurance that risks are being identified, managed and addressed consistently.

Importantly, many of the organisational building blocks needed to support sustainable improvement are now in place. This has enabled the health board to increasingly address foundational reform and front-line performance improvement in parallel. Partnership working with local authorities, the Welsh Ambulance Services University NHS Trust, primary care providers and the third sector has continued to strengthen, supporting more integrated responses to system-wide challenges.

The health board moves into 2026/27 with a clear sense of direction, a strong governance framework and an explicit focus on improving access, reducing waits and delivering safer, more timely care. Continued delivery will depend on maintaining organisational stability, sustained collaboration with partners, and ongoing engagement with patients, carers and communities to ensure that improvement translates into better outcomes and experiences for the people of North Wales.

Looking ahead to 2026/27 and beyond

Looking ahead to 2026/27, the Health Board will continue to operate within Special Measures, with a clear expectation of continuing to drive improvement across quality, performance and governance. The focus will be to turn strengthened oversight and organisational grip into consistent, measurable improvements for our communities.

A small number of key priorities will underpin this work. Improving timely access to care remains central. The organisation will prioritise further reductions in long waiting times and address delays across diagnostics, outpatient pathways and follow-up care, with a stronger focus on pathway redesign and delivery at pace.

Urgent and emergency care will remain another key area of sustained focus. The year ahead will require continued system-wide action to improve patient flow, reduce ambulance handover delays and strengthen discharge arrangements. This will be supported by closer working with partners to improve whole system coordination and resilience.

Improving patient safety and reducing avoidable harm will be a core priority. The emphasis will shift from strengthening governance arrangements to ensuring that learning is consistently translated into frontline practice, with a focus on reducing healthcare associated infections, serious incidents and never events.

The Health Board will also prioritise reducing variation in the quality and reliability of services, including across cancer pathways. There will be a stronger focus on improving patient experience, ensuring that feedback and concerns directly inform service improvement and are reflected in more timely and effective responses.

These priorities will be supported by continued action to strengthen workforce stability, leadership capacity, financial discipline and digital capability. These remain essential enablers in delivering sustainable improvement and reducing reliance on short-term measures.

Overall, the year ahead represents a critical phase in moving from early progress to sustained delivery with many significant challenges to address. The Health Board's focus will be on demonstrating consistent improvement in patient safety, access and outcomes, and providing clear evidence of impact across all services. All of this happens only with staff colleagues and community partners; with continued commitment and strong teamworking as critical success factors.

Signed:



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Carol Shillabeer, Chief Executive

Date: 25 June 2026



Appendix 1 – BCUHBS services

Primary care localities

Primary Care Clusters within the Betsi Cadwaladr University Health Board (BCUHB)
Anglesey
Arfon
Dwyfor
Meirionnydd
Conwy West
Conwy East
North Denbighshire
Central and South Denbighshire
North West Flintshire
North East Flintshire
South Flintshire
North East Wrexham
Central Wrexham
South Wrexham

Community Hospitals

BCUHB Community Hospital	Area
Abergele Hospital	Central
Colwyn Bay Hospital	Central
Denbigh Infirmary Hospital	Central
Llandudno General Hospital	Central
Royal Alexandra	Central
Ruthin Hospital	Central
Ysbyty Alltwen	West
Bryn Beryl	West
Cefni Hospital	West
Dolgellau and Barmouth Hospital	West
Ysbyty Eryri	West
Tywyn Hospital	West
Ysbyty Penrhos Stanley	West
Deeside Community Hospital	East
Chirk Hospital	East
Holywell Hospital	Central
Mold Hospital	East

Primary care dental practices

Address 1	Address 2	Address 3	Address 4	County	Cluster	Postcode
Eirlys Dental Practice - Dolgellau	County Hall	Bridge Street	Dolgellau	Gwynedd	South Meirionydd	LL40 1AU
Beauwood Dental Care	20 Chapel Street	Llangollen	Denbighshire	Denbighshire	Central & South Denbighshire	LL20 8NN
Castlewood Dental Care	'Haulfryn	Lenton Pool	Denbigh	Denbighshire	Central & South Denbighshire	LL16 3LH
Coastwood Dental Care	43 Ffordd Elan	Rhyl	Denbighshire	Denbighshire	North Denbighshire	LL18 4HZ
Bupa Dental Practice - Ewloe	Unit 2 Lakeside Business Village	St David's Park	Ewloe	Flintshire	North East Flintshire	CH5 3XP
Limewood Dental Care	Unit 3 Acorn Business Park	Flint	Flintshire	Flintshire	North West Flintshire	CH6 5YN
Bupa Dental Practice - Mold	Victoria Hotel	25 Chester Street	Mold	Flintshire	South Flintshire	CH7 1EG
Penwood Dental Care	Unit 2A, Snowdonia Business Park	Minffordd	Penrhyndeudraeth	Gwynedd	Dwyfor and North Meirionydd	LL48 6LD
The Bay Orthodontics	3A Lansdowne Road	Colwyn Bay	Conwy	Conwy	Conwy East	LL29 7AY
Wrexham Dental Works	Unit K1, Ellice Way	Yale Technology Park	Wrexham	Wrexham	Central Wrexham	LL13 7YT
MyDentist - Prestatyn	HSBC Bank Chambers -37 High Street	Prestatyn	Denbighshire	Denbighshire	North Denbighshire	LL19 9AH
MyDentist - Wrexham	Ground Floor - Kingsway House	Wrexham Technology Park	Wrexham	Wrexham	Central Wrexham	LL13 7YP
Eirlys Dental Practice - Caernarfon	Unit 1E, Cbyn Industrial Estate	Caernarfon	Gwynedd	Gwynedd	Arfon	LL55 2BD
Eirlys Dental Practice - Colwyn Bay	Suite 2, Princes Park, 1 Princes Drive	Colwyn Bay	Conwy	Conwy	Conwy East	LL29 8PL
Dental Academy	Ty Glyder	337-339 High Street	Bangor	Gwynedd	Arfon	LL57 1EP
Deintyddfa Llangefni Dental Practice	57 High Street	Llangefni	Anglesey	Anglesey	Anglesey	LL77 7NA

Woodlands Dental Centre	Mona Road	Menai Bridge	Anglesey	Anglesey	Anglesey	LL59 5EA
Deeside Dental Surgery	55 High Street	Connahs Quay	Flintshire	Flintshire	North East Flintshire	CH5 4DD
White Arcade Dental Practice	King Edward Street	Barmouth	Gwynedd	Gwynedd	South Meirionnydd	LL42 1NY
Queensferry Dental Surgery Limited	4 Gladstone Street	Queensferry	Flintshire	Flintshire	North East Flintshire	CH5 1ST
Chapel Cottage Dental Practice	5 Chapel Cottages, High Street	Gresford	Wrexham	Wrexham	North West Wrexham	LL12 8PR
The Hollies Dental Practice	65 Vale Street	Denbigh	Denbighshire	Denbighshire	Central & South Denbighshire	LL16 3AP
Mostyn House Dental Practice Partnership	3 Deganwy Avenue	Llandudno	Conwy	Conwy	Conwy West	LL30 2YB
Bryn Siriol Dental Practice	Gwernaffield Road	Mold	Flintshire	Flintshire	South Flintshire	CH7 1RA
Rhos Dental Practice	27 Market Street	Rhosllanerchrugog	Wrexham	Wrexham	South Wrexham	LL14 1AH
Elmhurst Orthodontic Clinic	Garth Road	Bangor	Gwynedd	Gwynedd	Arfon	LL57 2RT
Rossett Dental Practice	Station Road	Rossett	Wrexham	Wrexham	North West Wrexham	LL12 0HE
Connahs Quay Dental Practice	107A High Street	Connahs Quay	Flintshire	Flintshire	North East Flintshire	CH5 4DF
Coppersun Dental	12 Grosvenor Street	Mold	Flintshire	Flintshire	South Flintshire	CH7 1EJ
Hawarden Dental Practice	The Dental Surgery, 90 The Highway	Hawarden	Deeside	Flintshire	North East Flintshire	CH5 3DJ
Longford Road Dental Practice	Longford Road	Holyhead	Anglesey	Anglesey	Anglesey	LL65 1TR
Cemaes Bay Dental Practice	1 The Old Lookout	Cemaes Bay	Anglesey	Anglesey	Anglesey	LL67 0NF
Deintyddfa Deudraeth	6 Church Street	Penrhyndeudraeth	Gwynedd	Gwynedd	Dwyfor and North Meirionnydd	LL48 6AB

The Kandy Lodge Dental Practice Partnership	High Street	Ruabon	Wrexham	Wrexham	South Wrexham	LL14 6NH
Elwy Dental Practice - Abergele	1 Chapel Street	Abergele	Conwy	Conwy	Conwy East	LL22 7AW
Smile Dental Practice	7-9 Church Street	Flint	Flintshire	Flintshire	North West Flintshire	CH6 5AD
Bryn Siriol Dental Practice	Gwernaffield Road	Mold	Flintshire	Flintshire	South Flintshire	CH7 1RA
Grosvenor Dental Practice	3 Grosvenor Road	Colwyn Bay	Conwy	Conwy	Conwy East	LL29 7YF
Ruabon Road Dental Practice	96 Ruabon Road	Wrexham		Wrexham	Central Wrexham	LL13 7PH
Wrexham Dental Centre	Grove Road	Wrexham		Wrexham	Central Wrexham	LL11 1DY
Corwen Health Centre	Green Lane	Corwen	Denbighshire	Denbighshire	Central & South Denbighshire	LL21 0DN
Denbigh Dental Clinic	Denbigh Infirmary Community Hospital	Ruthin Road	Denbigh	Denbighshire	Central & South Denbighshire	LL16 3ES
Bethesda Dental Practice	Yr Hen Orsaf Medical Centre	Station Road	Bethesda	Gwynedd	Arfon	LL57 3NE
Bryn Siriol Dental Practice	Gwernaffield Road	Mold	Flintshire	Flintshire	South Flintshire	CH7 1RA
Belmont House Dental Practice	32 Colwyn Avenue	Rhos on Sea	Conwy	Conwy	Conwy East	LL28 4RB
Abergele Dental Surgery	Groes Lwyd	Abergele	Conwy	Conwy	Conwy East	LL22 7TA
TOOTHOPIA	59 Regent Street	Wrexham		Wrexham	Central Wrexham	LL11 1PF
Deintyddfa Penlan	6 Stryd Penlan	Pwllheli	Gwynedd	Gwynedd	Dwyfor and North Meirionnydd	LL53 5DH
Llanrwst Dental Practice	24A Watling Street	Llanrwst	Conwy	Conwy	Conwy West	LL26 0LS

Pwllheli Dental Care	8 Mitre Terrace	Pwllheli	Gwynedd	Gwynedd	Dwyfor and North Meirionnydd	LL53 5HE
Dannadd Davies Dental Practice	33 Bangor Street	Caernarfon	Gwynedd	Gwynedd	Arfon	LL55 1AR
Benllech Dental Surgery	Ffordd Bangor	Benllech	Anglesey	Anglesey	Anglesey	LL74 8TG
Greenacre Orthodontics	14 Wepre Drive	Connah's Quay	Flintshire	Flintshire	North East Flintshire	CH5 4HB
Bulkeley Dental Practice	102 High Street	Bangor	Gwynedd	Gwynedd	Arfon	LL57 1NS
Craig y Don Dental Practice	28 Mostyn Avenue	Craig y Don	Llandudno	Conwy	Conwy West	LL30 1YY
Coach House Dental Care	4A Grosvenor Road	Wrexham		Wrexham	Central Wrexham	LL11 1BU
Bod Heulog Dental Practice	47 Russell Road	Rhyl	Denbighshire	Denbighshire	North Denbighshire	LL18 3DA
Bridge End Dental Practice	6 Bridge End Mews, Bridge End	Caergwrle	Flintshire	Flintshire	South Flintshire	LL12 9AY
Bryn Siriol Dental Practice	Gwernaffield Road	Mold	Flintshire	Flintshire	South Flintshire	CH7 1RA
Cambria Dental Practice	6 Chester Road	Penyffordd	Flintshire	Flintshire	South Flintshire	CH4 0JZ
Talking Teeth	47 Chester Street	Wrexham		Wrexham	Central Wrexham	LL13 8BA
Panton House Surgery	Panton House, Panton Place	Holywell	Flintshire	Flintshire	North West Flintshire	CH8 7LD
Talking Teeth	The Old Post Office, Holyhead Road	Chirk	Wrexham	Wrexham	South Wrexham	LL14 5NA
Signature Smiles	Dodd's Lane	Gwersyllt	Wrexham	Wrexham	North West Wrexham	LL11 4NT
Penmaenmawr Dental Practice	Medical Hall, Pant yr Afon	Penmaenmawr	Conwy	Conwy	Conwy West	LL34 6BY

Castle Square Dental Clinic	35 Castle Square	Caernarfon	Gwynedd	Gwynedd	Arfon	LL55 2NN
Rosehill Dental Practice	5 Rosehill Street	Conwy		Conwy	Conwy West	LL32 8LD
Bryn Siriol Dental Practice	Gwernaffield Road	Mold	Flintshire	Flintshire	South Flintshire	CH7 1RA
Abersoch Dental Practice	19 Cae Du Estate	Abersoch	Pwllheli	Gwynedd	Dwyfor and North Meirionnydd	LL53 7EN
Flint Dental Centre	110 Church Street	Flint	Flintshire	Flintshire	North West Flintshire	CH6 5AF
Amlwch Dental Practice	14 Salem Street	Amlwch		Anglesey	Anglesey	LL68 9BP

Part Two – The Accountability Report

1. Corporate Governance Report

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across the Health Board during 2025/26. It includes:

Directors' Report

The Directors' Report: This provides details of the board who have authority or responsibility for directing and controlling the major activities of the Health Board during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.

The Board

Betsi Cadwaladr University Health Board is the largest health organisation in Wales, with a budget of £2.4 billion and a workforce of over 20,000. The health board is responsible for the delivery of health care services to more than 700,000 people across the six counties of North Wales (Anglesey, Gwynedd, Conwy, Denbighshire, Flintshire and Wrexham). The health board coordinates the work of 96 GP practices, and NHS services provided by 83 dental and orthodontic practices, 3 main hospital sites, 16 community hospitals, 69 optometry practices and opticians and 147 pharmacies in North Wales.



The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779) ("The Constitution Regulations") set out the

constitution and membership arrangements 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 Betsi Cadwaladr University 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, 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 The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779) (“The Constitution Regulations”), 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>

Further detail on the Board’s membership and composition during 2025/26 is available within **Appendix 1 : Board and Committee Membership 2025/26**

The Betsi Cadwaladr University Health Board as at 31st March 2026



Dyfed Edwards
Chair
(Voting)



Carol Shillabeer
Chief Executive
(Voting)



Gareth Williams
Vice Chair
(Voting)



Tehmeena Ajmal
Chief Operating
Officer
(Voting)



Clare Budden
Independent Member
(Voting)



Russell Caldicott
Executive Director of
Finance
(Voting)



Dr Clara Day
Executive Medical
Director
(Voting)



Debbie Eyitayo
Executive Director of
People Services &
Organisational
Development
(Voting)



Urtha Felda
Independent Member
(Voting)



Cllr Dyfed Jones
Independent Member
(Voting)



Sir Paul Lambert
Independent Member
(Voting)



Prof Mike Larvin
Independent Member
(Voting)



Christopher Lothian-Field
Independent Member
(Voting)



Dr Jane Moore
Executive Director of
Public Health
(Voting)



William Nichols
Independent Member
(Voting)



Teresa Owen
Executive Director of
Allied Health
Professionals and
Health Science
(Voting)



Paolo Tardivel
Interim Executive
Director of
Transformation and
Strategic Planning
(Voting)



Dr Caroline Turner
Independent Member
(Voting)



Rhian Watcyn Jones
Independent Member
(Voting)



Angela Wood
Executive Director of
Nursing & Midwifery
(Voting)



Emma Adamson
Associate Board
Member (Non-Voting)



Peter Lewis
Associate Board
Member (Non-Voting)



Phylis Makurunje
Aspiring Board
member
(Non-Voting)



Fôn Roberts
Associate Board
Member (Non-Voting)



Stuart Keen
Director of
Environment and
Estates
(Non-Voting)



Justine Parry
Acting Chief Digital &
Information Officer
(Non-Voting)



Dylan Roberts
Chief Digital &
Information Officer
(Non-Voting)



Helen Stevens-Jones
Director of
Partnerships,
Engagement &
Communications
(Non-Voting)



Pam Wenger
Director of Corporate
Governance
(Board Secretary)
(Non-Voting)

Register of Directors' Interests

All Board members are required to declare any interest they have that could affect their impartiality with regard to their work within the health board

The declarations made by Directors and Board Members for 2025/26 are published in Note 30 of the Annual Accounts, and are available on the health board's website at [Declarations of Interest](#)

Compliance with Cost Allocation Requirements

The Freedom of Information Act is part of the Government's commitment to greater openness in the public sector. The underlying principle is that all non-personal information held by a public body should be easily available, unless there is a cost or an exemption applies. A statement confirming that the health board has complied with the cost allocation and charging requirements set out in HM Treasury guidance is below.

We are committed to comply with this Act and any associated Welsh Government guidance and endeavour to make information available to the public via our Publication Scheme.

Compliance with Personal Data Related Incidents and Environmental, Social and Community Issues

The health board self-reported 5 data security breaches that triggered referral to the Information Commissioner's Office and Welsh Government. These were in relation to:

Confidentiality Breach-External	5
Total	5

All self-reported incidents have been closed by the Information Commissioner's Office with no further action required by them due to the immediate actions and improvements put in place by the health board.

All of these recommendations have been or will be implemented by the Health Board and are monitored by the Information Governance team.

The health board did not incur any financial penalties during the year. During 2025/26 the health board has received 2 (one claim was withdrawn) personal injury claims for harm and distress caused by a data breach and has settled 1 claim totalling £1,394.95 during the year.

Statement of Accountable Officer's Responsibilities

The Statement of Accounting Officer's Responsibilities and Statement of Directors' Responsibilities: This requires the Accountable Officer, Chair and Executive Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts is fair, balanced, and understandable.

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer for the Betsi Cadwaladr University Health Board.

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

The Accountable Officer is required to confirm that, as far as he or she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accountable Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accountable Officer is required to confirm that the annual report and accounts as a whole is fair, balanced and understandable and that they take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accountable Officer is responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

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

Signed:



.....
Carol Shillabeer, Chief Executive

Date: 25 June 2026

Statement of Directors' Responsibilities in respect of the Accounts

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh Ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of Betsi Cadwaladr University Health Board and of the income and expenditure of Betsi Cadwaladr University Health Board for that period.

In preparing those accounts, the directors are required to:

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

The directors confirm that they have complied with the above requirements in preparing the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with the requirements outlined in the above-mentioned direction by the Welsh Ministers.

By Order of the Board

Signed:



Dyfed Edwards

Chair

Date: 25 June 2026



Carol Shillabeer

Chief Executive

Date: 25 June 2026



Russell Caldicott

Executive Director of Finance:

Date: 25 June 2026

Annual Governance Statement

1. SCOPE OF RESPONSIBILITY

Annual Governance Statement: This is the core of the Corporate Governance Report. It explains the governance arrangements and structures within the health board and brings together how the organisation manages governance, risk, and control. Our Annual Governance Statement describes our governance arrangements, committee structure and the system of internal control.

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 quality standards, public funds and departmental 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 providing our services for the people of North Wales. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated, and assurance has been sought and provided. Where necessary additional information is provided here in the Annual Governance Statement, however the intention has been to reduce duplication where possible. It is therefore necessary to review corresponding sections in the Annual Report alongside this Governance Statement.

On 27 February 2023, the Minister for Health and Social Services, Welsh Government announced that Betsi Cadwaladr University Health Board (BCUHB) would be escalated to Special Measures. The organisation had previously been at the Targeted Intervention level of escalation and therefore is now escalated to the highest level under the Escalation and Intervention arrangements. The Minister for Health and Social Services indicated in the statement announcing Special Measures escalation particular concern regarding leadership, culture and performance. There were eight areas of concern, including Governance and Board Effectiveness.

On 5 March 2026, the Welsh Government published the Health Board progress 2025-26 Report which detailed progress in a range of areas, including culture, leadership and governance and quality and safety.

The report noted that:

- The Board has strengthened oversight through refreshed membership, clearer risk and performance frameworks, and increased transparency in reporting. A substantive Board is in place, changes this year include the appointment of Sir Paul Lambert as the Independent Member to lead on finance, and Peter Lewis as Chair of the Stakeholder Reference Group.

- There have been substantive appointments to the Executive Team, including the Chief Operating Officer, Executive Medical Director and Director of People Services and Organisational Development.

The report concluded that *“Betsi Cadwaladr University Health Board’s organisational openness has been a notable feature of the past three years. The implementation of the duty of candour, publication of special measures updates, and clearer reporting about incidents and complaints have all contributed to a more transparent culture. Staff engagement has been widened through leadership walkabouts and improved communication channels, while cultural maturity still requires sustained focus. These changes mark a shift towards a more accountable and responsive organisation.*

Although performance trajectories have proven difficult to improve in line with expectation, foundational work has taken place across planned care, diagnostics, maternity, urgent and emergency care, and primary and community care and lays the groundwork for longer-term improvements. Importantly, the board has developed a more mature understanding of risk, accountability, and assurance, enabling it to move from crisis response to longer-term strategic decision-making.

The organisation continues to face considerable performance challenges, particularly in planned care, cancer services and urgent and emergency care. The foundations for improvement are clearer, more transparent, and more consistently embedded across the health board. The health board must now urgently build on these foundations and deliver rapid and sustained improvement, delivering safe and timely access to high-quality planned, emergency and cancer care for people across North Wales.”

2. OUR GOVERNANCE FRAMEWORK

2.1 The role and composition of the Board

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 Delivery Plan.

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, and set out the requirement of the responsibilities and

conduct of the health board and defined 'its ways of working'. The Standing Orders were adopted by the Board on 28 September 2023 with minor amendments agreed since, the most recent were approved at the Board on 26 March 2026 and are available on the health board's website: [Standing Orders](#)

The Board, subject to any directions that may be made by the Welsh Ministers, is required to make appropriate arrangements for certain functions to be carried out on its behalf. 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 this report and the Terms of Reference are available on the health board's website. [\(Committees and Advisory Groups - Betsi Cadwaladr University Health Board\)](#)

2.2 Strategic Vision Statement and Strategic Intentions

Betsi Cadwaladr University Health Board has a clear strategic vision statement:

"We are building a future where everyone in North Wales has the support, they need to live a healthier and happier life. Over the next decade, our dedicated staff will work hand-in-hand with communities and partners to empower people to stay well and access the care they need, when they need it. Together, we will create high-quality, compassionate, and sustainable care that transforms health and wellbeing for the population we serve."

The Strategic Intentions are to:

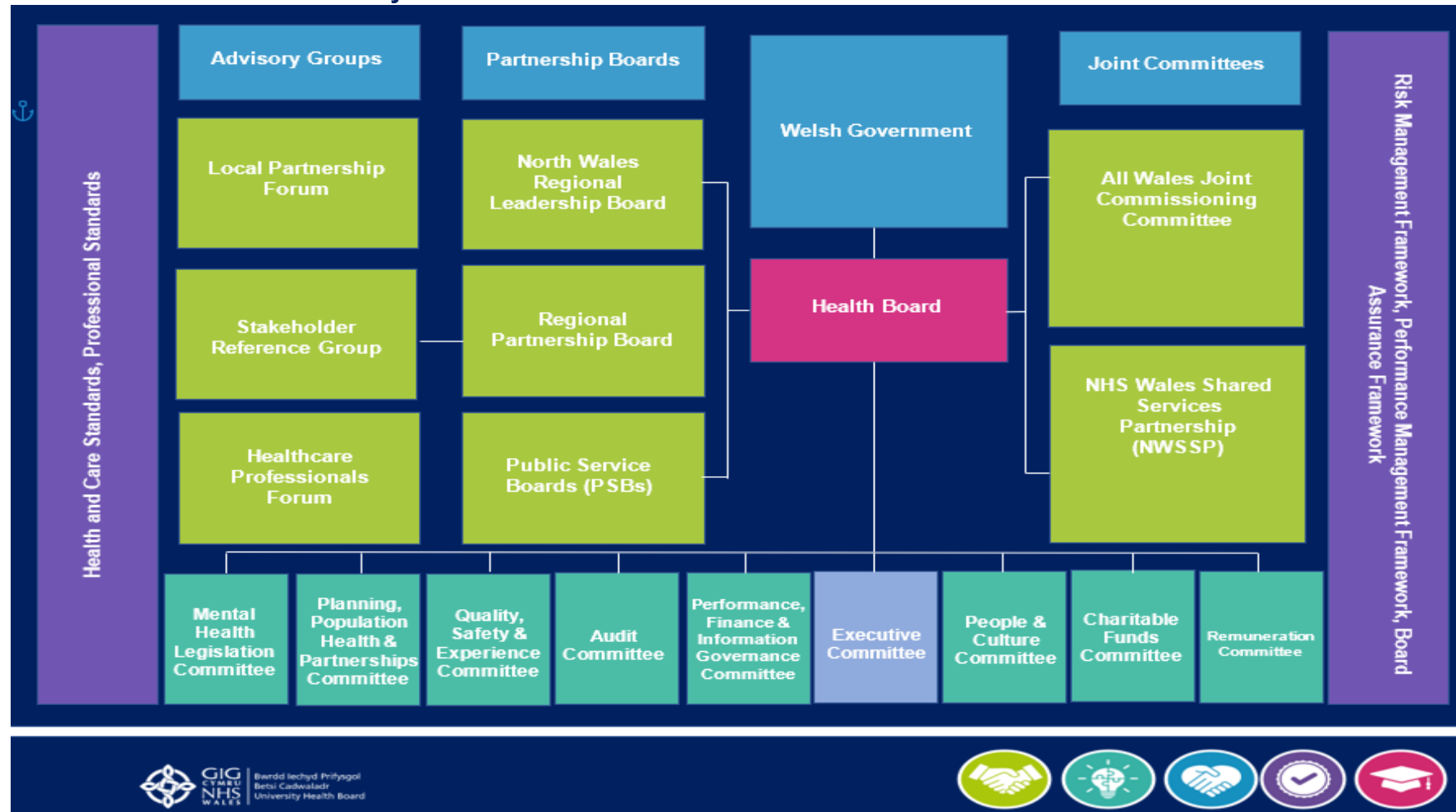
- **FOCUS ON HEALTH AND WELLBEING** through every stage of life - enabling a greater emphasis on, and increased development and delivery of preventative, proactive strategies, working with partners rooted in communities.
- **ENHANCE THE CO-ORDINATION OF CARE FOR PEOPLE** with long-term conditions and improve access to a broader range of community-based services by investing in integrated primary and community care and working collaboratively with partners.
- **IMPROVE ACCESS, OUTCOMES AND EXPERIENCE** for all, developing and enhancing high-quality, high-value, and sustainable pathways of care for the region, delivered in partnership.
- **CREATE A MODERN, PEOPLE-CENTRED HEALTHCARE SYSTEM** that is future-focused, maximising opportunities of digital care, research, innovation, and improvement that invests in workforce development and wellbeing and strengthening our role as an anchor institution for North Wales.

2.2 Board Champions

During the year, the Board introduced Board Champions, appointing Independent Members to provide additional strategic focus on priority areas, in line with Welsh Government guidance. Board Champions work with Executive Leads to develop a deeper understanding of their portfolios, ensure issues are visible and appropriately challenged, and strengthen Board and Committee oversight. The role provides added assurance through focused scrutiny, stakeholder engagement and early identification of risks, without detracting from executive accountability or operational management.

In January 2026 the Board received an Annual Report on Board Champions: [Board Champions Annual Report](#).

Governance and Accountability Structure



2.3 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's website [The Board - Betsi Cadwaladr University Health Board](#). 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 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
- Ensures effective financial stewardship by effective administration and economic use of resources
- Will seek assurance on the effective delivery of the above points

During 2025/26, all Board meetings in public were broadcast live, with a recording of the meeting uploaded to our website after each meeting. During 2025/26, the Board held:

- Eight meetings in public (all were quorate)
- Six In-Committee (Private Meetings)
- One Annual General Meeting
- Ten Board Development Sessions

Attendance is formally recorded within the minutes, detailing where apologies have been received and where deputies have been nominated. The dates, agendas and minutes of all public meetings can be found on the Health Board's website [Health Board Minutes](#). The Board has a Cycle of Business, which was adapted during the year to respond to emerging events and circumstances. There is also a clear citizen, patient and staff experience centred focus by the Board at the meetings, demonstrated by the presentation of patient, carer and staff stories through the Experience Report.

Over the year, the Board considered a number of key issues and took action where appropriate and these are summarised in the Annual Governance Statement.

2.4 Developing a Well-Functioning Board

The Board recognises that its effectiveness as a collective leadership body is central to meeting its statutory duties and accountabilities. During 2025–26, the Board continued to take active steps to strengthen its governance arrangements, behaviours, and capability in line with recognised characteristics of high-performing public sector boards.

The Board maintained a structured programme of Board development activity, delivered through scheduled informal Board sessions and targeted development events. This programme was designed to support the Board in discharging its responsibilities for strategic leadership, oversight of risk and performance, and effective assurance, and was informed by the Board's own reflections, feedback from development activity, and external governance insight.

During the year, the health board undertook a structured self-assessment to evaluate the effectiveness of its governance, leadership and internal control arrangements. Drawing on evidence from Board and Committee self-assessments, Internal Audit opinion and Audit Wales work, the assessment confirms that the Board and its Committees are operating effectively, with open discussion, constructive challenge and improving quality of assurance.

Progress has been made in strengthening governance discipline, clarity of accountability and the linkage between strategy, risk, performance and improvement. The assessment also identified areas for continued focus, including maintaining strategic grip and assurance in areas of sustained operational pressure.

Throughout the year, the Board used informal Board meetings to provide protected time for strategic discussion, learning, and reflection on complex issues. These sessions supported improved quality of Board dialogue, greater clarity of collective roles and responsibilities, and strengthened understanding of the balance between strategic oversight and operational management.

The Board also continued to focus on ways of working and behaviours, including constructive challenge, effective use of information, and open and honest discussion, to support confident and well-informed decision-making. This included reinforcing role clarity between the Board and its Committees and strengthening the alignment between Committee assurance and matters escalated to the Board for consideration.

The Board views its development as an ongoing process and remains committed to reviewing its effectiveness regularly, identifying areas for further improvement, and ensuring that its governance arrangements continue to support the delivery of safe, high-quality services and organisational improvement.

The Directors' Report of the Annual Report and Accounts contains all the details of changes to Board membership during 2025/26.

2.5 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 being value-driven, rooted in the [‘Nolan’ principles](#) and high standards of public 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 and sets out 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 articulates the standard 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 Business Conduct Policy](#) incorporating Declarations of Interest, Gifts, Hospitality and Sponsorship, is available on the health board’s [Declarations of Interest](#) website page.

2.6 Committees of the Board

Section 3 of Betsi Cadwaladr University 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 regulatory and Welsh Government requirements. Each Committee is chaired by an Independent Member of the Board. All Committees regularly review their Terms of Reference and Cycles of Business 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.

For the year 2025-26, the Committees were:

- Audit Committee
- Charitable Funds Committee
- Mental Health Legislation Committee
- Performance, Finance and Information Governance Committee
- People and Culture Committee
- Planning, Population Health and Partnerships Committee

- Quality, Safety and Experience Committee
- Remuneration Committee
- Executive Committee

Full details of Committee names and dates are included in Appendix 2.

The detailed, Terms of Reference agendas and papers for each of the current Committees can be found on the health board's website [Committees and Advisory Groups - Betsi Cadwaladr University Health Board](#).

The Chair of each Committee provides a report on the business of each Committee meeting at meetings of the Board, highlighting any matters of concern or escalation which the Board needs to consider. This contributes to the Board's assessment of risk, level of assurance and scrutiny against the delivery of objectives. Minutes and action logs for Board and Committees are maintained and used to inform the summary of Board and Committee business.

The health board is committed to openness and transparency and conducts as much of its Board and Committee business as possible in sessions that members of the public are normally welcome to attend and observe. This is either via a livestream (Board meetings), or by inviting members of the public to contact the Director of Corporate Governance to request arrangements be made for an opportunity to observe Committee meetings which are not livestreamed.

2.7 Summary of Business 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.

A summary of the remit for each Committee is highlighted in the table below:

Committee	Summary of Committee Remit
Audit Committee	The Committee provides advice and assurance to the Board and the Accountable Officer, in line with NHS Wales standards of good governance, on the effectiveness of the health board's governance, risk management and internal control arrangements, supporting informed decision-making and the discharge of statutory accountabilities

Committee	Summary of Committee Remit
Charitable Funds Committee	The Committee is responsible for establishing and overseeing arrangements for the control and management of the health board's Charitable Funds, which operate under the working name Awyr Las .
Mental Health Legislation Committee	The Committee oversees and monitors the health board's use of the Mental Health Act 1983 and the Mental Capacity Act 2005, including Deprivation of Liberty Safeguards.
People and Culture Committee	The Committee provides advice and assurance to the Board on compliance with legislation, guidance and best practice relating to the People and Organisational Development (OD) agenda, drawing on national and international learning to support continuous improvement. It oversees delivery of the health board's People and OD Strategy and the All-Wales Health and Social Care Workforce Strategy, ensuring alignment with the Board's strategic direction and statutory requirements for NHS bodies in Wales.
Performance, Finance and Information Governance Committee	The Committee advises and provides assurance to the Board on the health board's current and future financial position, financial performance and delivery, including the Capital Programme and workforce costs, it has oversight of delivery and monitoring of performance strategies, framework, policies, WG / local targets and performance reports, together with oversight of information governance arrangements.
Planning, Population Health and Partnerships Committee	The Committee provides advice and assurance to the Board on long-term planning, including the Integrated Medium Term Plan and Annual Operating Plan, ensuring alignment of enabling strategies. It oversees partnership arrangements to improve population health and reduce health inequalities, including primary care, public health and the wider determinants of health, and provides oversight of population health improvement and health inequalities performance, informed by population needs assessments.
Quality, Safety and Experience Committee	The Committee provides advice and assurance to the Board on the quality of services, including clinical effectiveness, patient safety, patient and carer experience, and health and safety, whether services are delivered directly by the health board or through partnership arrangements.
Remuneration Committee	The Committee advises the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff, within the framework set by Welsh Government. It also provides assurance on the health board's arrangements for remuneration,

Committee	Summary of Committee Remit
	terms of service and contractual arrangements for all staff, in line with NHS Wales requirements and standards.

The Executive Committee operates as the Health Board's primary executive decision-making forum, supporting the Chief Executive in the oversight of day-to-day management, including governance, risk management and internal control arrangements, in line with delegated authority from the Board. During 2025/26, the Committee has strengthened the visibility and coordination of executive decision-making. However, internal audit review identified areas requiring further development, including clarity of the Committee's formal status and full alignment with its Terms of Reference and Standing Orders, resulting in a limited assurance opinion. Actions are underway to address these matters, including a refresh of the Terms of Reference, improvement in agenda discipline, and strengthening of reporting and assurance to the Board to ensure compliance and enhance the effectiveness and transparency of executive governance arrangements.

2.8 Board Development

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

- Foundations for the Future
- CEO Reflections
- Reflections on IMTP and Introduction into Strategic Change approach
- Planned Care
- NHS Wales Joint Commissioning Committee Annual Update
- Safeguarding Training
- Integrated Medium Term Plan (IMTP), 10 Year Strategy and Clinical Services Plan
- Learning from the Ernst Young Report
- Strategic Mental Health Development
- Board Visits
- Reflections on the last 12 Months
- Priorities and Plans for the next three years (big opportunities and big challenges)
- How best we organise ourselves to deliver this through the Board and Committees
- Hywel Dda Consultation
- Review of Audit Wales Digital Self-Assessment
- Review of Risk Appetite
- Band 2/3 Health Care Support Worker roles
- Board Development external facilitation
- Chair Briefing (Public Accountability Meeting Feedback)
- Chief Executive Briefing
- Llandudno Hub
- Finances

- Board Development Feedback
- Strategy
- Expert Advisory Group – Key Messages
- Welsh Language Ambition
- IMTP Planning Cycle including Financial Planning Decision Making
- Equality Board Development
- Quality Management System - NHS Improvement
- Integrated Medium Term Plan
- Foundations for the Future Pre-Engagement

2.9 Advisory Groups

Betsi Cadwaladr University Health Board's Standing Orders require the Board to have three Advisory Groups in place. These allow the Board to seek advice from and consult with staff and key stakeholders. They are the:

- Local Partnership Forum
- Stakeholder Reference Group
- 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.

[Standing Orders and Financial Instructions - Betsi Cadwaladr University Health Board](#)

The Local Partnership Forum engages with staff organisations on key issues facing the health board. It provides the formal mechanism through which the health board works together with Trade Unions and professional bodies to improve health services for the population it serves. It is the stakeholder forum which informs debate and seeks to agree local priorities on workforce and health service issues. The Local Partnership Forum met twice during 2025-26.

The Stakeholder Reference Group is formed from a range of partner organisations from across the health board's area and provides advice and feedback to the Board on its strategic direction, service improvement proposals and the impact of the Board's operations on the communities it serves. The Stakeholder Reference Group met six times during 2025-26, which included one development session and one workshop.

The Healthcare Professionals Forum comprises of representatives from a range of clinical and healthcare professions within the health board and across primary care practitioners with the remit to provide advice to the Board on all professional and clinical issues it considers appropriate. It is one of the key forums used to share early service change plans, providing an opportunity to shape the way the health board delivers its services. The Forum met four times during 2025-26, which included one workshop.

2.10 Joint Committees and Partnership Working Reporting to Board

The Chief Executive Officer represents the Board on meetings of the Joint Committees and provides regular reports on the work of the Joint Committees to the Board. The reports enable in-depth discussion of issues raised within the Joint Committees as and when necessary.

All Wales Joint Commissioning Committee

The NHS Wales Joint Commissioning Committee (JCC) is responsible for planning, commissioning, and overseeing nationally commissioned NHS services on behalf of Local Health Boards in Wales. It operates as a collaborative committee arrangement to ensure that services which are best planned and delivered on an all-Wales basis.

The JCC provides:

- Strategic commissioning leadership for specialised and national
- Oversight of decisions, risk, and performance associated with those services
- Assurance that commissioning decisions are made fairly, responsibly, and in accordance with agreed governance frameworks
- A mechanism for collective decision

As a public body operating within NHS Wales, the JCC is required to work openly, fairly, and in line with clear governance rules, ensuring that:

- Decisions are taken appropriately and can be challenged where necessary
- Risks are identified and managed effectively
- Accurate records are maintained
- Transparency and accountability are preserved in the commissioning of national services

The JCC's governance arrangements set out how it conducts its business, how decisions are made and reviewed, and how it remains accountable for the planning and oversight of national services on behalf of NHS Wales.

NHS Wales Shared Services Partnership Committee

The NHS Wales Shared Services Partnership Committee was established in 2012 and is hosted by Velindre NHS Trust. It is responsible for the shared services functions for the NHS, such as procurement, recruitment, and legal services. Betsi Cadwaladr University Health Board is represented by the Executive Director of Finance at this Committee with regular reports received by the Board following each meeting.

North Wales Regional Leadership Board

The North Wales Regional Leadership Board develops and drives forward agreed shared priorities, shares information, maintains an overview of regional working and 'horizon scans' for emerging issues and / or opportunities for collaboration. It provides regional governance for collaborative advocacy for the interest of the region, acting as 'The Voice of North Wales. Membership includes:

- The six North Wales Local Authorities - Leaders and Chief Executives
- BCUHB – Chair and Chief Executive
- Natural Resources Wales – Chair and Operations Manager
- North Wales Fire and Rescue – Chair and Chief Fire Officer
- North Wales Police – Chief Constable
- North Wales Police and Crime Commissioner
- Wales Ambulance Services University NHS Trust – Chair and Chief Executive
- Wales Local Government Association – Chief Executive

Regional Partnership Board

The North Wales Regional Partnership Board works with health, social services, education and other services to identify and meet the needs of the people in our region.

This includes people who use care and support services such as:

- children and young people with complex needs
- older people, including people living with dementia
- people with learning disabilities and neurodevelopmental conditions
- people with emotional and mental health needs
- unpaid carers.

The Regional Partnership Board (RPB) includes members from Anglesey County Council, Cyngor Gwynedd, Conwy County Borough Council, Denbighshire County Council, Flintshire County Council, Wrexham County Council, Betsi Cadwaladr University Health Board and others.

The Children's Regional Partnership Board provide leadership on a wide range of issues facing different age groups from babies to young adults. Learn more about the Children's Regional Partnership Board including the mission statement, guiding values and principles here [About the Children's Regional Partnership Board](#).

Public Service Boards in North Wales

Public Service Boards were established in each local authority area in Wales as part of the Wellbeing of Future Generations (Wales) Act 2015. Powers within the Act have enabled the six North Wales Local Authorities to merge to form three collaborative Public Service Boards:

- Conwy and Denbighshire Public Services Board
- Flintshire and Wrexham Public Services Board
- Gwynedd and Ynys Môn Public Services Board

Public Service Boards work together to improve the well-being of their county or counties. As a group they are tasked with improving the economic, social, environmental and cultural well-being of their areas and setting objectives designed to maximise its contribution to the national wellbeing goals. Each has a Well-being Plan based on a local wellbeing analysis.

3. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The health board operates within a structured system of internal controls designed to ensure effective governance, financial stewardship, and high-quality patient care. These controls include clear accountability frameworks, robust risk-management processes, and regular monitoring of performance against statutory and strategic objectives. By maintaining strong oversight of clinical quality, financial decision-making, and operational delivery, the health board helps safeguard public resources while promoting transparency and continuous improvement across services.

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 ended 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 Audit Committee.

During 2025–26, strengthened and consistently applied processes supported effective management, reporting and closure of audit recommendations. Progress was subject to regular scrutiny, with clear escalation to the Executive Committee and Audit Committee where required, providing assurance over delivery and ongoing improvement.

A total of 31 audit reports were received by the health board during 2025-26, 29 from Internal Audit and two from Audit Wales, and these recommendations are being progressed, with updates provided at each Audit Committee. In relation to Internal Audit, there are 15 open limited assurance reports and 4 one open unsatisfactory assurance reports. With regards to External Audit, 7 audit reports remain open.

4. CAPACITY TO HANDLE RISK

The Board approved a Betsi Cadwaladr University Health Board Risk Management Framework in November 2025 and associated documents (Procedures and Risk Management Training Plan) were approved shortly after this. Minor amendments were made to the Risk Management Framework to refine the escalation process. The updates formed part of the revisions approved by the Board on 27 November 2025.

The Framework seeks to ensure that risk management is integral to the health board 's culture and an important element of the health board 's planning, budget setting and performance process.

The Board's Risk Management Framework sets out the health board's processes and mechanisms for the identification, assessment, and escalation of risks. 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 organisational Assurance Framework and accompanying Corporate and Service/Function Operational 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 objectives are eliminated, transferred, or proactively managed.
- Manage the clinical and non-clinical risks facing the health board in a co-ordinated and effective way; and
- Keep the Board and its Committees suitably informed of significant risks facing the health board and associated plans to treat the risk.

The Risk Management Framework sets out a multi-layered reporting process, which comprises the Board Assurance Framework and Corporate Risk Register, Service Risk Registers and Project Risk Registers. It has been developed to help build and sustain an organisational culture that encourages appropriate risk taking, effective performance management and organisational learning in order to continuously improve the quality of the services provided and commissioned.

Risk Appetite

The Risk Appetite Statement is an important component of the health board 's risk management arrangements in that it provides guidance and direction in risk prioritisation and resource allocation.

The health board's **Risk Appetite** represents the overall willingness to accept risk at a strategic level, whereas **Risk Tolerance** refers to the level of risk that is acceptable for a specific activity or decision.

Risk appetite guides the health board 's overall risk approach, whereas tolerance provides a more detailed and measurable framework for assessing and managing risk in specific contexts. This approach has been the driving force behind the management of strategic and operational risks, and it will be the tool used throughout the health board to assign risks to themes and provide a basis for determining risk management.

In updating and approving its Risk Appetite Statement, the Board considered the health board 's capacity and capability to manage risk. The Board reviewed its risk appetite during 2025 and is subject to annual review, this was approved by the Board on 27th August 2025.

RISK APPETITE 2025/26

Risk Type	Risk Appetite Level	Risk Appetite Description	Risk Appetite Thresholds
Quality	Open	There was willingness to be 'open' and consider all potential delivery options and choices while also providing an acceptable level of reward (and Value for Money). We are prepared to accept the possibility of short-term, managed risks to quality or safety where there is strong evidence that	<15

Risk Type	Risk Appetite Level	Risk Appetite Description	Risk Appetite Thresholds
		the change will deliver long-term improvement in patient outcomes. We will embed investigation and learning into all decisions, ensuring the duty of candour remains central to our approach.	
Financial	Open	There was an agreed consensus on an 'open' appetite and consider all potential delivery options and choose while also providing an acceptable level of reward (and VfM). There was an agreed consensus to invest for return and minimise the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Resources allocated in order to capitalise on opportunities.	<15
Compliance/ Regulatory	Open	There was an agreed consensus supporting an 'open' risk appetite to consider all potential delivery options and choose while also providing an acceptable level of reward (and VfM). Challenge would be problematic but we are likely to win it and the gain will outweigh the adverse consequences.	<15
Innovation	Seek	There was a clear consensus to 'seek' innovation, with eagerness to be forward-thinking and to pursue options offering potentially higher business rewards. We actively pursue innovations that challenge current practice while implementing controls to minimise risks to patient safety, where there is strong potential for substantial improvement in outcomes. Controlled trials, pilot programmes, and transparent stakeholder engagement remain integral to this approach.	<20
Reputational	Seek	There was an agreed consensus to 'seek' some reputational risks and an eagerness to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk). We are willing to take bold decisions that may attract significant scrutiny if they are in the best interests of patient safety and service improvement. Reputation is actively managed through transparent,	<20

Risk Type	Risk Appetite Level	Risk Appetite Description	Risk Appetite Thresholds
		values-based communication, and we view public interest as an opportunity to demonstrate leadership.	

Management of Risk During 2025/26 – Strategic Risks

Strategic risks are those that present a material threat to the health board's ability to deliver its strategic priorities and maintain safe, sustainable services. The health board's strategic risks are brought together in the Corporate Risk Register (CRR), which provides a consolidated view of risk exposure and the actions in place to reduce that exposure over time.

The CRR is reviewed through established governance routes (including Executive Leads, Committees and the Risk Scrutiny Group) and is presented to the Board to support scrutiny, challenge and assurance.

As at March 2026, the CRR comprises 11 corporate risks. Ten of the eleven remain above the health board's stated risk appetite/tolerance, demonstrating sustained strategic exposure and an insufficient pace of risk reduction relative to appetite. Only CRR25-05 (Strategic Change – Impacting Care and Staff Delivery) is currently assessed as within tolerance.

In total, 91 actions are in place across the CRR: 18 completed, 71 progressing, and 2 delayed (both within CRR25-03 Population Needs, where external dependencies have deferred commencement into 2026/27). While governance processes have continued to mature, recent review confirms limited movement in risk scores over the past 12 months, and no change in scores in the most recent reporting cycle, reinforcing the need for action plans to be increasingly outcome-focused and demonstrably linked to risk reduction.

To strengthen grip and improve the line of sight between gaps in control, actions, metrics and expected risk reduction, a revised CRR reporting template has been developed for use from April 2026, alongside an enhanced programme of deep dives to strengthen scrutiny and accountability.

Within the reporting period none of the revised Corporate Risks have reduced in risk score:

- 11 Corporate Risks
- 91 Actions developed to mitigate the risks
- 71 Actions currently progressing, with 2 delayed actions to commence during 26/27.
- 18 Actions closed from July 25 to March 26

As of the end of March 2026, there were 11 strategic risks described in the Corporate Risk Register, representing the most significant risks to the health board in terms of potential impact on the delivery of the Board's strategic priorities. These 11 are

categorised into risk levels based on their 'likelihood' and 'impact' if the risk occurs. 10 of the 11 strategic risks managed by the health board fall outside the risk domain's appetite.

The Table below illustrates where the 10 corporate risks outside of appetite sit.

Risk Theme	Risk Appetite Level	Risk Score
Timely Patient Access to Safe and Effective Care	Quality (Tolerance <15)	20
Future Demand & Sustainable Workforce	Quality (Tolerance <15)	16
Population Needs	Quality (Tolerance <15)	16
Modernising our Digital Infrastructure	Quality (Tolerance <15)	20
Value Delivery and Financial Sustainability	Financial (Tolerance <15)	20
Leadership and Operating Model	Quality (Tolerance <15)	16
Non-Compliance with Regulatory and Legislative Requirements	Regulatory (Tolerance <15)	16
Safe Environment	Regulatory (Tolerance <15)	20
Health and Safety	Regulatory (Tolerance <15)	16
Information Communication Technology & Cyber	Quality (Tolerance <15)	20

The Corporate Risk Register Report presented to Board in March 2026 is available [here](#).

The risks contained within this have been subject to Executive risk owner scrutiny, challenge, and review. Robust assessments of the health board's internal control system were also undertaken, alongside a review of all sources of assurance related to each risk. Work is ongoing to provide enhanced assurance of risks outside of appetite, this will be done by undertaking deep dives of the risks outside of appetite and developing action plans to enhance control and mitigate the likelihood / impact.

Board Assurance Framework (BAF)

The Board Assurance Framework (BAF) was approved by the Board in May 2026 ([p392](#)). Eight principal risks are aligned with the health board's five strategic objectives. All principal risks associated with the BAF are aligned with the relevant corporate risks and vice versa. Each identified risk includes plans to approve improve controls. Actions are tracked and presented to the Board.

Key Board Assurance Framework Risks

The Board Assurance Framework informs and assures the Board with controls and action plans for identified high-extreme risks that relate to any possibilities of not delivering on the strategic priorities of the health board.

Embedding Effective Risk Management

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

In March 2026, Internal Audit undertook a review of Risk Management and Board Assurance arrangements during 2025/26, which focused on how the Risk Management Framework was being implemented and upheld. A 'reasonable assurance' rating was provided to the Board, maintaining the assurance level achieved in the previous year.

The recommendations from the Internal Audit were to focus on strengthening training arrangements and addressing overdue operational risks. Efforts in the coming year will be intensified to ensure full compliance with training requirements.

The Risk Scrutiny Group has met regularly since its formation 2025/26 providing oversight of corporate risks and assurance on the progression of operational risk governance arrangements. To support this, the Corporate Risk Management Team produces a governance report summarising the effectiveness of risk management across Divisions, Directorates and Integrated Health Communities (IHCs), in line with the health board's Risk Framework and Risk Management Procedures.

Risk management audits assess the completeness and accuracy of risk registers, the timeliness and quality of risk reviews, governance and oversight arrangements, and compliance with mandatory risk management training.

Across the audits undertaken, covering Directorates and Divisions, the overall and current maturity profile indicates a strong and improving position. The majority of areas (27; 68%) were assessed as Established, demonstrating consistent and embedded risk management practices. A further five areas (12%) achieved an Advanced rating, reflecting proactive and well-evidenced approaches. Six areas (15%) were assessed as Developing, and two (5%) were rated Basic, highlighting where targeted improvement support remains necessary.

The health board remains committed to ensuring all Directorates achieve at least Established risk management maturity. The Corporate Risk Team continues to

prioritise support for areas assessed as Basic or Developing, providing focused training, guidance and hands-on assistance to help them progress toward Established and Advanced maturity levels. Ongoing engagement with Directorates and Services supports continued improvement, with action deadlines set locally to reflect operational priorities. The Corporate Risk Team maintains oversight of all open and overdue actions to ensure timely and effective resolution.

Overall, the progress achieved demonstrates sustained organisational effort, enhanced capability and growing consistency in risk management arrangements across the health board.

Emergency Preparedness Resilience Response (EPRR)

NHS organisations must ensure that they have in place emergency response plans and business continuity arrangements that take full account of their statutory duties under the Civil Contingencies Act 2004 and NHS Wales Emergency Planning Core Guidance 2015.

Health Boards and Trusts, Digital Health and Care Wales and NHS Wales Shared Services Partnership are required to submit an EPRR Annual Report setting out broadly their level of compliance in meeting the requirements of the above legislation and guidance.

The EPRR activities of the past twelve months have focused upon building the EPRR function whilst the health board's permanent Resilience Team has been secured, including the adaptation and maintenance of existing plans and arrangements to ensure the health board and associated health care organisations can plan and respond to local emergencies (major incidents) appropriately. This capability has been tested on several occasions over the reporting period (as referenced in the incidents section of this report), protecting both patients in the North Wales health economy and ensuring that critical health board services can continue with as little disruption as possible. It is important to acknowledge that the health board's EPRR activity is continually adaptive and improving based on dynamic learning and action. The hard work and flexibility of NHS staff responding to incidents is widely recognised. The health board's EPRR Annual Report details the team's 2025/26 and 2026/27 workstreams and priorities; its close working with multi-agency partners; participation in training and exercises; and the health board's response to 'live' incidents and events. Within this annual report where gaps in resilience have been identified, the key actions and milestones have been incorporated into the annual work plan. An Internal Audit took place looking at on-call arrangements resulting in a limited assurance rating further work is taking place on the on-call policy, managing compulsory rest and training.

Looking ahead to 2026/27, organisational priority will remain centred on ensuring the continued ability to respond to any incident that may arise. Malicious acts and pandemic influenza continue to represent significant threats within the national risk landscape, and preparedness for these hazards must remain strong. In addition, the increasing impact of environmental change continues to elevate the likelihood and severity of extreme weather events. Periods of intense heat, prolonged cold, high rainfall, and strong winds all pose risks of disruption to health services and the wider

system. Ensuring readiness for these challenges will be a key area of focus in the forthcoming year.

5. CONTROL FRAMEWORK

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' (updated January 2024).

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. There were no departures from the Code as it applies to NHS bodies in Wales.

The Audit Committee received a report on our compliance to the Corporate Governance Code in April 2026.

Breaches to Standing Orders and Standing Financial Instructions

Breaches are reported at every meeting of the Audit Committee and the types of breaches being reported include:

- Adherence to the rules regarding publication of Board and Committee papers
- Adherence to contract and procurement rules

The Audit Committee noted that there had been 9 breaches to the Standing Orders relating to the late publication of papers. There has been work undertaken during 2025/26 to improve business processes and timeliness of papers including a new corporate template and the roll out of a report writing training plan. Whilst there has been progress in this area, the quality of papers whilst improved has resulted in some delays during the year. This is a continued improvement area identified for 2026/27.

The Audit Committee has noted that there have been 20 reported breaches against the Standing Financial Instructions during 2025/26, as at the end of quarter 3. File notes are used to formally record breaches of financial and procurement processes where retrospective waivers are not appropriate. Their increased use has highlighted the need for stronger compliance. They provide transparency, strengthen oversight, and reinforce individual accountability, with a clear expectation that governance requirements are fully considered before expenditure is committed.

As a result of these breaches an internal audit has been commissioned and additional controls put in place as part of the strengthening of the governance

arrangements. The Audit Committee will monitor progress against the plans to ensure compliance with the Standing Financial Instructions.

Procurement Breaches

During 2025/26, the health board continued to strengthen its arrangements to ensure compliance with Standing Financial Instructions (SFIs), Standing Orders and associated procurement regulations. Notwithstanding this, a number of procurement-related breaches were identified during the year, primarily through management oversight, internal audit activity and Audit Committee scrutiny.

Internal audit reviews of procurement activity, including the review of Corporate Directorates' procurement and contract management arrangements, identified recurring issues relating to non-compliance with SFI 11: Procurement and Contracting for Goods and Services, most notably around the application of the "No Purchase Order, No Pay" requirement and the use of retrospective purchase orders. These breaches reflected weaknesses in planning, understanding of procurement requirements and adherence to established processes rather than deliberate circumvention of controls.

In addition, Internal Audit and Audit Committee reporting highlighted instances where direct call-off frameworks were utilised without sufficient early engagement with NHS Wales Shared Services Partnership (NWSSP) Procurement Services. This limited assurance over value for money and consistency with national procurement arrangements. While the use of formal procurement waivers remained limited, the volume of framework call-offs undertaken without procurement involvement indicated a need to reinforce roles, responsibilities and escalation routes across the organisation.

The Audit Committee received regular reports on breaches of Standing Financial Instructions throughout the year and was explicit in recognising procurement compliance as a priority risk area. In response to the issues identified, a number of immediate and proportionate actions were taken by management, supported by the Chief Executive and overseen by the Executive Director of Finance and the Director of Corporate Governance. These included strengthened pre-approval controls for direct awards, enhanced scrutiny of high-risk procurement activity, and the commissioning of targeted internal audit reviews to assess control effectiveness and cultural compliance.

Further assurance was provided through follow-up internal audit work on the implementation of recommendations arising from the Independent Review of Contract Procurement Management. This work concluded that reasonable assurance could be given overall, whilst also identifying areas requiring further management attention, including timeliness of action delivery, evidencing of completed actions and the consistency of conformance reporting to the Audit Committee.

Importantly, the health board has adopted a learning-led approach to procurement breaches, recognising that sustainable improvement requires both strengthened controls and increased capability. During 2025/26, work progressed to improve awareness and understanding of procurement requirements amongst budget holders,

reinforce the importance of early engagement with procurement specialists, and embed accountability for compliance within directorate governance arrangements.

The Board and Audit Committee have been clear that procurement compliance is integral to the health board's wider financial stewardship, governance and risk management responsibilities. Progress against agreed improvement actions will continue to be monitored through internal audit follow-up, regular reporting on breaches, and enhanced assurance arrangements during 2026/27, with the expectation that identified weaknesses are fully addressed and recurrence is minimised.

Quality Governance and Duty of Candour

In Wales, the Health and Social Care (Quality and Engagement) (Wales) Act 2020 provides a consistent definition of quality across Welsh Ministers and NHS Wales bodies, which is *'continuously, reliably, and sustainably meeting the needs of the population that we serve'*.

The Health and Social Care (Quality and Engagement) (Wales) Act 2020 sets out a duty of quality. The purpose of the Duty of Quality is to ensure that Welsh Ministers and NHS bodies secure improvements in the quality of services they provide. The duty represents the ambition of achieving ever-higher standards of person-centred health services in Wales.

The Duty of Candour is a legal requirement for NHS Organisations in Wales to be open and honest with service users receiving care and treatment. This is outlined in the Health and Social Care (Quality and Engagement) (Wales) Act 2020. The Duty of Candour applies if the care we provide has or may have contributed to unexpected or unintended moderate or severe harm, or death.

In further becoming a quality-led organisation committed to implementing the requirements of the Duty of Candour and Duty of Quality, the health board has:

- Published its Annual Quality Report [Annual Quality Report](#)
- Actively sought and received support from the NHS Performance and Improvement and remain part of Once for Wales National Groups.
- Implemented an Integrated Concerns Policy, learning repository, Organisational Learning Forum which encompasses thematic review and Quality Dashboard and Quality Scorecard

The health board continues to demonstrate the progress made against compliance and the requirements of the Duty of Candour and Duty of Quality. This includes evidence of how Committees and the Board considers the Duty of Quality to inform its decision making.

Following the publication of the Welsh Government's national recommendations for all organisations in Wales to adopt a Quality Management System (QMS) approach, the health board committed in January 2025 to develop a comprehensive framework that embeds a culture of quality at the heart of everything we do.

In doing so, the health board recognises its statutory obligations under the Duty of Quality, which requires us to demonstrate continuous, reliable and sustainable improvement in the quality of services delivered across the organisation.

Progress is underway on the implementation of an effective Quality Management System (QMS), benefitting from the help and guidance of NHS Performance and Improvement. Further progress is required and is included within the organisation's [The Health Board's Plan 2026-2029](#).

During 2025/26, the health board has continued to strengthen its arrangements for learning from events and ensuring that learning is translated into sustained improvement. The Integrated Concerns Policy (live from 1 September 2024) has been embedded through a daily, multidisciplinary Integrated Concerns Hub and executive oversight arrangements, supporting the principle of “investigate once, investigate well” by linking incidents, complaints and mortality reviews in Datix, commissioning proportionate learning reviews/investigations, and tracking delivery of learning and improvement actions.

The health board has also strengthened its approach to organisational learning and dissemination, including the introduction of a structured learning repository and thematic approaches to identify recurring issues and commission deeper reviews where required, alongside enhanced focus on prevention activity such as Prevention of Future Death learning and post-inquest follow-up. In parallel, Learning from Events Reports (LFERs) required by the Welsh Risk Pool for claims and redress have been subject to strengthened governance, including clearer director-level accountability, weekly oversight and earlier internal submission expectations; this has delivered a sustained reduction in overdue LFERs from 60 (April 2025) to 11 (at 31 March 2026), with the remaining overdue now largely reflecting the evidencing and quality requirements associated with Welsh Risk Pool deferrals rather than failure to submit.

The Audit Wales [Structured Assessment 2025](#) found that the Board and its Committees are operating effectively with open discussion and challenge, while noting that overall performance remains pressured, with some notable improvements including better complaint responses. In relation to quality governance, Audit Wales confirmed that it is undertaking a review of the health board's quality governance arrangements, including follow-up of actions from its 2022 Review of Quality Governance Arrangements and consideration of implementation of the Duty of Quality and Duty of Candour under the Health and Social Care (Quality and Engagement) (Wales) Act 2020, with reporting planned in early 2026. The report also notes that the health board is confident that the new Quality Management System (QMS) strengthens the organisation's ability to monitor and respond to complaints, supporting improved oversight and assurance

Audit Wales have concluded that the Board and its Committees are operating effectively with open discussion and challenge, supported by specific governance enhancements such as the introduction of “Alert, Assure, Advise” highlight reports (introduced in December 2024) to summarise committee decisions and assurance points for the Board, and the development of a formal protocol (November 2025) to strengthen Board member visits and feedback from services.

Audit Wales also records that the health board is confident its Quality Management System (QMS) supports stronger monitoring and response to complaints, and the review of the health board's quality governance arrangements (including follow-up to the 2022 review and consideration of Duty of Quality and Duty of Candour), with reporting planned in early 2026 will be reported in 2026.

External Sources of Insight to improve the quality of services

During 2025/26, there have been a number of external sources of insight that support the progress being made across the health board, including the Audit Wales review of Urgent and Emergency Care: Arrangements for Managing Demand, and Tackling the Planned Care Challenges.

These reports support the progress the health board has made around both unscheduled and planned care, and whilst there is demonstrable progress in a number of areas within both unscheduled and planned care, progress has not been at the pace required and is the absolute focus of the organisation going forward.

During 2026, the health board will work to improve its Committee oversight to monitor progress made against recommendations made by non-audit bodies. Audit Wales has recommended that the health board should introduce effective Committee oversight for monitoring progress made against recommendations of regulators, including, but not limited to, Healthcare Inspectorate Wales, HM Coroner, the Welsh Language Commissioner, the Health and Safety Executive, and the Public Services Ombudsman for Wales.

Establishing an effective environment for learning

An Organisational Learning Forum has been established to provide strategic oversight of the health board's approach to embedding a culture of continuous learning. This is supported by a centralised learning repository, enabling learning from incidents and areas of good practice to be systematically captured, shared and applied across the organisation. These arrangements promote the routine dissemination of learning and reinforce the value placed on both improvement opportunities and successes.

This approach has strengthened the organisation's transition from traditional corporate information services to a model focused on intelligence and insight, ensuring organisational learning is data-driven and evidence-based. The approach is being aligned to the development of the organisation's Quality Management System (QMS), providing a stronger framework for embedding learning into routine practice. While this establishes a solid foundation, further work is required to ensure learning is consistently embedded and demonstrably drives sustained improvement across all services, aligned to the revised Quality Management Framework.

Key priorities include strengthening learning from incidents and enhancing quality of care. Routine infection prevention learning reviews and post-infection reviews for all Healthcare Associated Infections (HCAIs) ensure a consistent and systematic approach, with improvement plans developed to address identified themes.

Learning from these reviews has informed targeted initiatives, including the HABITs campaign (Hand Hygiene, Aseptic Non-Touch Technique, Bare Below the Elbows,

Isolation, Treatment and Standard Precautions). This is being further developed to actively involve patients and the public, reinforcing shared ownership of learning and helping embed safe practices at the point of care.

Healthcare Inspectorate Wales

Healthcare Inspectorate Wales (HIW) is the independent inspectorate and regulator of healthcare in Wales. HIW inspects NHS services and regulates independent healthcare providers against statutory requirements, national standards, policies and guidance. HIW also monitors the use of the Mental Health Act and reviews mental health services to ensure that vulnerable people receive safe, effective and high-quality care.

During the reporting period, the Health Board continued to work collaboratively with HIW, Welsh Government, the NHS Wales Executive and partners across the health and social care system, including the National Six Goals Programme, to improve the safety, quality and experience of care. While progress has been made, performance within urgent and emergency care remains a significant operational challenge and continues to be an area of regulatory focus.

Robust systems and processes are in place to ensure that all HIW inspections, reviews and requests for assurance are effectively managed. The Health Board continues to utilise the Audit, Management and Tracking (AMaT) system to record, monitor and provide assurance against all HIW improvement actions. This approach has strengthened organisational oversight and improved the quality and consistency of evidence provided to the regulator.

The Health Board submits regular quarterly formal updates to HIW, generated directly from the AMaT system. These reports provide transparent assurance on progress against agreed improvement plans and the supporting evidence of completion.

All HIW activity is reported through established governance structures, including the Quality, Safety and Experience Committee and the Regulatory Assurance Group. These groups provide senior oversight of regulatory compliance, ensure risks are appropriately escalated, and promote organisational learning arising from inspection findings.

A constructive and collaborative relationship with HIW has been maintained throughout the year, supported by a designated relationship lead who promotes effective communication and joint working.

The Health Board's Quality Peer Review process further strengthens internal assurance arrangements by emulating the HIW inspection methodology. This intelligence-led approach draws on both qualitative and quantitative data, including information from the Quality and Assurance Dashboard, to support continuous improvement and readiness for regulatory inspection.

Summary of HIW Inspections 2025–2026

During the period April 2025 to March 2026, HIW undertook seven inspections across Health Board services. These inspections resulted in a total of 146 recommendations

and 264 associated improvement actions, reflecting both the scope of regulatory scrutiny and the scale of improvement activity being managed.

Inspections were conducted across acute, community, mental health and specialist services, including urgent and emergency care, inpatient wards, primary care and community-based services. The most significant volume of actions arose from inspections of acute and inpatient services, particularly within urgent and emergency care, reflecting sustained system pressures and complexity.

At year-end, one inspection report (Conwy Community Learning Disabilities Team) was awaiting publication, and one inspection (Nuclear Services, Ysbyty Gwynedd) had been completed but not yet reported.

Assurance and Continuous Improvement

Progress against all HIW actions is closely monitored, with risks escalated through appropriate governance routes where required. The Health Board remains committed to delivering timely and sustainable improvements, with particular emphasis on areas of identified risk.

Learning from HIW inspections is actively shared across the organisation to support system-wide improvement, strengthen compliance and enhance the quality and safety of care for patients and service users.

Location	Date of Inspection	Recommendations	Related Actions	Full Report
Emergency Department, Ysbyty Gwynedd	14 to 15 April 2025	28	66	Ysbyty Gwynedd ED - Report.pdf
Criccieth Health Centre	15 July 2025	18	18	Criccieth Health Centre
Cemlyn Ward, Cefni Hospital	28 to 30 July 2025	19	40	Cemlyn Ward, Cefni Hospital
Hergest Ward, Ysbyty Gwynedd	8 to 10 September 2025	25	47	Hergest Ward
Pantomime Ward, Ysbyty Maelor	14 to 15 October 2025	18	42	Pantomime Ward

Location	Date of Inspection	Recommendations	Related Actions	Full Report
Conwy Community Learning Disabilities Team	10 to 11 February 2026	18	51	Publication date is during May 2026
Nuclear Inspection, Ysbyty Gwynedd	26 to 27 March	Unknown as yet		Inspection recently undertaken. No report available as yet

Health and Safety Executive

Health and Safety Executive, Prosecution, Patient Falls

Following a detailed investigation, the Health and Safety Executive (HSE) issued a Notice of Contravention and Improvement Notice to the Health Board, identifying failures in the management of inpatient falls risk in its acute hospitals between January 2022 and January 2023. The HSE concluded that the Health Board had not, so far as was reasonably practicable, ensured that systems were in place to adequately assess, manage, and review the risk of patient falls, particularly for vulnerable patients whose clinical conditions deteriorated. The Notices highlighted deficiencies in the consistent application of falls risk assessments, the clarity and implementation of risk control measures, and the effectiveness of assurance arrangements to ensure that policy requirements were embedded into day-to-day practice.

In response, the Health Board undertook extensive organisational learning and improvement actions, both during the investigation and following the Notices. This included strengthening the Falls Prevention Policy, revising and standardising falls risk assessment processes, improving escalation and review mechanisms when patient risk increased, and reinforcing training requirements for permanent, temporary, and agency staff. Governance and assurance arrangements were enhanced to provide clearer executive oversight, stronger monitoring of compliance, and improved reporting to ensure that learning was translated into sustained and system-wide improvement in patient safety.

In April 2025, the Health Board was formally prosecuted by the HSE for breaches of section 3(1) of the Health and Safety at Work etc. Act 1974. The Health Board entered a guilty plea at the earliest opportunity reflecting its open and honest acceptance of the failings and was fined £250,000, with additional costs of £11,766. In mitigation, the court recognised the Health Board's cooperation with the HSE, its status and financial pressures as a public body, and the significant evidence of learning and improvement implemented since the incidents. Nevertheless, the prosecution served as a clear reminder of the importance of robust safety systems and sustained assurance to

prevent recurrence – the Health Board remains committed to continually improving practice and to learning from incidents of inpatient falls.

Health and Safety Executive, Notice of Contravention and Improvement Notice, Self Harm Risk

Following the death of an inpatient on the Ablett Unit, Ysbyty Glan Clwyd, in December 2024, the Health and Safety Executive (HSE) issued Notices of Contravention and Improvement Notices under section 3(1) of the Health and Safety at Work etc. Act 1974 and the Management of Health and Safety at Work Regulations 1999. The HSE concluded that the Health Board had not effectively managed inpatient risks associated with the prevention of self-harm, specifically identifying deficiencies in the identification, assessment, and control of ligature risks within the clinical environment. In particular, the HSE raised concerns regarding the presence of ligature anchor points on Tegid Ward within the Ablett Unit, and the adequacy of systems in place to ensure environmental risks were identified and mitigated in a timely and systematic way. Immediate improvement requirements included physical modification works and enhanced use of anti-ligature equipment, alongside wider actions to strengthen ligature risk management arrangements.

In response, the Health Board implemented the required environmental mitigations promptly and undertook further organisational learning focused on strengthening ligature risk reduction processes across mental health inpatient settings. This included reinforcing governance oversight of ligature risk, enhancing inspection and assurance arrangements, and embedding clearer accountability for identifying and addressing environmental risks. The work of the Mental Health and Learning Disabilities Division's ligature risk reduction programme was sustained and strengthened to ensure that learning from the incident was translated into ongoing risk reduction and service improvement, with continued engagement and monitoring by the HSE as part of the improvement notice process.

At the time of writing, the Health Board awaits a decision from the HSE on any further enforcement action following conclusion of its investigation.

Counter Fraud, Anti-Bribery and Corruption Arrangements

The Health Board has arrangements in place to ensure compliance with the NHS requirements of the Government Functional Standard 013 Counter Fraud. The Functional Standard Return will be submitted in June 2026 and is likely to show an improvement from the 2025-26 return.

Allegations of fraud within the Health Board are investigated by the Local Counter Fraud Specialists.

To ensure impartiality and transparency, allegations of bribery and corruption, or allegations of fraud involving very senior managers within the organisation are not investigated by the Local Counter Fraud Services team and are forwarded to Counter Fraud Service Wales for investigation.

At an operational level, the Executive Director of Finance has delegated responsibility for the operational management of the Local Counter Fraud Services. The day-to-day

management of the Local Counter Fraud Service is undertaken by the Head of Counter Fraud Services. The Director of Corporate Governance has a role as the Counter Fraud Champion.

The Audit Committee has monitored the progress of the Annual Counter Fraud Workplan 2025/26 via progress reports from the Head of Counter Fraud. The delivery of the workplan has been achieved. The Annual Counter Fraud Workplan 2026/27 will be agreed by the Executive Committee and Audit Committee early in the financial year.

Updates are provided to the Executive Director of Finance, via the Head of Counter Fraud on a regular basis to monitor the delivery of the plan and discuss ongoing and closed investigations as required.

Fraud risk assessments are undertaken throughout the year to assess and identify the Health Board's exposure to fraud risks, and an organisational Counter Fraud Risk Assessment is underway to ensure a full understanding of the Counter Fraud threat and risk picture.

The outcome of the assessment against the corporate risk policy is used to maintain a fraud risk register which strengthens the Health Board's ability to evaluate, mitigate and monitor risks arising from fraud and arrangements are in place to escalate appropriately.

The following arrangements are in place:

- Proactive and reactive measures are taken by the Local Counter Fraud Specialist to deter and identify fraud, as well as encouraging staff to report fraud; conflicts of interests are declared at all Board, Committee and sub-committee meetings.
- A mandatory training programme for Fraud Awareness through e-Learning, which has been well subscribed.
- The Health Board's processes are aligned to maintain compliance with the current conflicts of interests' policy guidance; new system has been established by the Health Board to strengthen oversight.
- Operational arrangements are in place to enable timely notification of concerns pertaining to fraud to the Local Counter Fraud Specialist or the Executive Director of Finance, via the Finance Director: Operational Finance. Such concerns are also reported to the Audit Committee for oversight and assurance.
- Internal Audit and the Local Counter Fraud Specialist have liaised in order to discuss high risk areas, as required. In the event that management identify risks relating to fraud these are incorporated onto the risk register, with associated mitigations.
- The Head of Counter Fraud meets privately with the Chair of Audit Committee when necessary to allow any relevant matters to be discussed confidentially.

The Audit Committee receives quarterly progress reports and an annual report on the delivery of the Local Counter Fraud Specialist work plan and outcome of investigative reports where appropriate. In addition, the Audit Committee reviews anti-fraud, bribery and corruption Health Board policies and procedures and a representative of the Counter Fraud Team sits on the Executive Policy Oversight Group.

The Health Board completes an annual self-assessment of its counter fraud arrangements, in accordance with the UK Cabinet Office Counter Fraud Functional Standard Return (CFFSR), against a number of NHS Requirements of the Government Functional Standard GovS013: Counter Fraud, which are submitted to the counter fraud regulator, the NHS Counter Fraud Authority.

Planning Arrangements

It is a statutory requirement, under the NHS Finance (Wales) Act 2014, for Health Boards to develop a financially balanced three-year plan, known as an Integrated Medium-Term Plan (IMTP). In order to be approvable by the Welsh Government, the IMTP must set out how it will:

- Improve the health of the population;
- Improve the provision of health care; and
- Demonstrate financial balance over the three year term of the plan.

The development of a three-year IMTP is a key element within the Special Measures escalation framework. Where an NHS organisation is unable to deliver a plan that meets the requirements for an approval IMTP, it must develop and agree an Annual Plan, to ensure there is a clear set of delivery objectives supported by finance, workforce and operational plans for the organisation.

In March 2025 the Health Board approved and submitted its first financially balanced IMTP for 2025/2028. Despite building on progress to develop its planning capabilities and strengthen its planning maturity, the Health Board's IMTP was not approved by Welsh Government. Notwithstanding this, the Health Board implemented its plan, and through the development of its Annual Delivery Plan 2025/2026 has monitored its progress against the plan, providing regular reports to Welsh Government.

Building on learning, feedback and growing maturity

Over recent years, the Health Board has taken significant steps forward in strengthening its planning maturity and adopting a more coherent, disciplined and evidence driven approach.

In October 2025 the Health Board undertook, and submitted to Welsh Government, a self-assessment using the Planning Maturity Matrix (PMM). Welsh Government feedback and the PMM continue to guide the development of the Health Board's planning discipline, with the organisation now operating consistently at Levels 2–3 maturity and is driving forward an agreed action plan for further sustained improvement.

The development and Board approval of the **Integrated Planning Framework (IPF)** [Integrated Planning Framework](#) in November 2025 represented a major milestone in the journey towards planning maturity. Informed by the PMM and national guidance, the IPF articulates:

- The organisation's planning principles.
- Clear expectations for specialty, service, operational and corporate-level plans.
- Standardisation of planning processes and templates.

- A unified approach to modelling demand, activity, workforce, finance and performance.
- Integration with the Health Board's Quality Management System (QMS), Risk Management, and Performance Frameworks

The IPF is supported by practical Planning Guidance, toolkits and enabling information requirements, ensuring a consistent approach to planning across the Health Board. The framework explicitly embeds statutory duties, including the Duty of Quality and Duty of Candour, and requires all plans to be aligned with national priorities, quality standards and the NHS Wales Planning and Performance Frameworks.

A key improvement this year has been earlier, deeper engagement within and outside the organisation. Priority setting conversations between the Chief Executive and Executive Team, building on Board Committee and Development Sessions, established a shared narrative and a clear set of expectations for the planning cycle.

These sessions underlined the need to:

- Identify priorities earlier and more consistently
- Narrow and focus the number of priorities, while
- Deepening clinical and operational involvement
- Improve alignment between strategic intentions, the emerging 10 Year Strategy and the Clinical Services Plan
- Ensure that planning is grounded in data, modelling and realistic delivery expectations

The transition out of Special Measures further accelerated the development of a more robust, integrated and transparent planning system.

On 13th February 2026, the Chief Executive, on behalf of the Health Board, submitted an Accountable Officer letter to Welsh Government indicating that, at that stage of work, it would not be in a position to submit a financially balanced IMTP due to the extremely challenging financial landscape and the substantial gap between available funding and the need to maintain safe and sustainable services.

Therefore, the plan 2026/29 submitted to Welsh Government on 31st March 2026 is the Annual plan, [The Health Board's Plan 2026-2029](#) set in a three-year context aligned to the new four Strategic Intent Statements, which will be at the core of the new emerging 10-Year Strategy and Clinical Services Plan.

The plan reflects the maturing approach to embedding continuous planning, moving away from annual episodic planning towards a year-round cycle of forecasting, engagement, delivery and review.

The Health Board's plan for 2026/29 represents a financially unbalanced but credible plan, demonstrating clear savings trajectories, realistic delivery assumptions, and full transparency regarding financial risks and mitigations.

Continuing The Planning Journey

The Health Board is committed to further improvements in its planning maturity, and work will continue over the coming years.

Strengthening Planning Capability and Culture

Developing organisational capability has been a deliberate focus throughout the year. Steps have included:

- Development of tiered planning training (Bitesize, Planning Basics, Diploma level).
- Clarifying roles and responsibilities within the planning system.
- Ensuring broader multi-professional engagement
- Embedding planning into the annual performance cycle and accountability processes.

These actions support the longer-term ambition of establishing planning as a core organisational discipline.

A More Integrated, Strategic and Deliverable Plan

This year's Plan takes a more strategic, coherent approach, aligned to the new **four Strategic Intent Statements which will be at the core of the new 10-Year Strategy and Clinical Services Plan** as they develop in 2026/27. Specialty and service level plans have been strengthened through clearer requirements around:

- Timebound deliverables.
- Quantified impacts and performance trajectories.
- Quality, workforce, finance and risk integration
- Alignment with enabling functions, including digital, estates, commissioning and change management
- Application of organisational design principles and QMS requirements

Continuing the Journey

While this Plan represents a significant evolution in our approach, we recognise there is more to do. The organisation will continue to strengthen its planning maturity, embed unified modelling, and ensure planning becomes a continuous, integrated process that supports the delivery of high quality, sustainable and value driven services.

This plan should therefore be seen as both a meaningful step forward and the starting point for further refinement and consolidation over the coming years.

Escalation and Intervention Level 5 (Special Measures)

The Health Board was placed into Level 5 escalation across all six domains of the (then) escalation and intervention framework, with the Welsh Government Special Measures framework subsequently refreshed in 2025 to provide clearer expectations and de-escalation criteria across: Finance, Strategy and Planning; Performance and Outcomes; Clinical Services; Governance and Leadership (including leadership, capability and culture); Quality of Care; and Population Health and Prevention.

The domains were refreshed in July 2025 as follows:



The Health Board routinely reviews progress against each domain, identifying achievements to date and the areas requiring sustained focus. Governance and Board oversight have been strengthened, including greater openness and transparency and a more structured approach to assurance through Board and Committee arrangements.

Risk management capability has also been significantly strengthened, including the development of a more mature approach to enterprise risk management which has received external recognition through the Health Board's award at the 2025 Continuity, Insurance & Risk (CIR) Risk Management Awards (Risk Management Team of the Year).

A strong focus on leadership capability and culture has been supported through the implementation of an Integrated Leadership Development Framework, providing progressive leadership pathways from aspiring and new supervisors through to senior clinical leaders and executives, with positive evaluation outcomes reported. Planning maturity has continued to develop, including work to strengthen integrated planning and to establish clearer strategic direction, with the Board endorsing four strategic intent statements in January 2026 as a precursor to development of a longer-term strategy and a Clinical Services Plan.

Notwithstanding these improvements, the Health Board recognises that significant challenges remain in delivering timely and effective care at scale, particularly in Urgent and Emergency Care, Planned Care and Cancer, with diagnostics pressures contributing to pathway performance and flow. In response, Welsh Government and NHS Performance & Improvement have supported a time-limited, integrated Intervention Team model to accelerate sustainable improvement across Urgent & Emergency Care, Planned Care and Cancer, designed to operate within (and not duplicate) the Health Board's statutory governance and assurance arrangements, with

clear reporting and oversight through existing Board and Committee mechanisms. Alongside this, the Audit Wales Structured Assessment recognises that while assurance and risk management arrangements have matured, further work is required to ensure that mitigations translate into demonstrable impact, including movement in risk scores and sustained improvement in performance outcomes, and to strengthen how delivery and impact are evidenced through IMTP reporting and assurance.

Overall, whilst improvements are noted and the organisation is on a firmer footing, the Health Board recognises that significant challenges remain in delivering timely and effective care, particularly in relation to urgent and emergency care, cancer, and planned care. The challenge in the coming year is to ensure sustained performance improvement at scale across a range of operational outcomes in order to improve patient experience and patient safety, acknowledging that improvements across these clinical areas will be seen as a key barometer of overall organisational progress.

7. DISCLOSURE STATEMENTS

7.1 Equality, Diversity and Human Rights

A review of the Health Board's equality objectives and Strategic Equality Plan has been completed, and the Strategic Equality Objectives 2024–2028 were published on 27 March 2024.

The Health Board's Equality and Human Rights policy framework is established through the WP8 - Equality Diversity and Human Rights Policy, which sets out statutory compliance expectations (including the Public Sector Equality Duty and the Socio-economic Duty) and the requirement for governance processes and documentation to reflect equality and human rights legislation.

Progress against the Strategic Equality Plan is monitored through established governance routes (including the Equality and Human Rights Strategic Forum and stakeholder mechanisms), and engagement with external stakeholders is supported through representative groups (including working arrangements which references working with Llais).

The Equality Annual Report [Equality and Human Rights Reports - Betsi Cadwaladr University Health Board](#) is presented through the **People and Culture Committee** and recommended onward for Board approval which is published and accessible to the public.

Our commitment to equality is reflected in a number of other ways:

- The Board has an annual equality development session to ensure all Board members are aware of their duty to have 'due regard' to the Public Sector Equality Duty.
- The Board has set out its commitment to promote equality and human rights across the Health Board.
- The Annual Plan demonstrates how the Health Board meets the duties associated with equality and human rights, as well as the arrangements for equality impact assessments.

- Opportunities have been identified to build delivery of the Strategic Equality Plan into planning and service delivery mechanisms and the system for improvement.
- The Workforce Strategy and policy development is informed by workforce equality information and equality impact assessments.
- Equality and Human Rights Training is mandatory for all staff.
- A programme of equality impact assessment training is facilitated alongside coaching support and guidance. Scrutiny of equality impact assessments was strengthened this year.
- Risks associated with compliance have been identified and included in the Corporate Risk Register.
- The Equality and Human Rights Strategic Forum monitors compliance against the Strategic Equality Plan.
- Progress is presented to the external Equality Stakeholder Reference Group. This group includes representation from members of the public with an interest in equality issues, including Llais.

7.2 The NHS Pension Scheme and Payroll Arrangements

As an employer with staff entitled to membership of the NHS Pension Scheme, the Health Board has control measures in place to ensure we comply with all employer obligations of the Scheme regulations. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

These systems and processes are subject to regular audit and review by Audit Wales as part of the annual audit of the financial statements, and internal audit of the payroll systems.

As a significant employer, the Health Board also has controls that ensure it deals with deduction of employee taxes and payment of employer taxes correctly. In addition, we have controls in place to ensure we manage significant other taxes correctly (e.g., VAT). HMRC have assessed the Health Board with a business risk rating of low based on their assessment and our track record. This was reported to the Audit Committee.

7.3 Carbon Reduction Delivery Plans

The Health Board has developed a Decarbonisation Action Plan for short and medium term actions, which will deliver a major boost in our objective of achieving Net Zero Carbon Emissions by 2030. The Action Plan was approved by the Health Board in September 2022 and includes delivering a series of energy efficiency improvements and renewable electricity generation across the estate. These programmes combine both energy efficiency measures such as insulation, high efficiency lighting and Building Management Systems as well as the generation of electrical energy through schemes such as photovoltaic panels (solar electricity). In addition, the Health Board is looking to embed sustainable services considering the carbon impact of changes, the development of climate-resilient facilities but also the efficient and effective use of estate and the strategic reduction in the space held. The Health Board receives support throughout the process from Local Government Partnership and the Welsh Government Energy Service.

Acknowledging the work to do, the Health Board recruited a Director of Environment and Estates early 2025 with sustainability included within that portfolio and will be implementing further actions during 2026/2027.

As part of the Decarbonisation Action Plan, a risk register has been developed to identify risks associated with delivering the programme.

In January 2024, the Health Board initiated a procurement process through the Re-fit framework to support developing a number of Energy Conservation Measures to align with the Decarbonisation Action Plan. The initial High Level Assessment of viable proposals was published in March 2025 to progress and included works to the value of c. £7.1m to save a total over the lifetime of the measures of over 14,650 tonnes of CO₂. These proposals are now being developed further for implementation subject to grant funding.

Separately, and funded through the Welsh Government, the Health Board is currently developing a proposal for a solar farm on one acute site. The facility has the potential to deliver 15.6% of the peak energy demand of the site with anticipated completion in early 2027.

The Health Board is unable to confirm compliance with the following statement: “The organisation has undertaken risk assessment and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projections to ensure that the organisation’s obligation under the Climate Change Act and the Adaptation Reporting requirements are complied with.

As work on a climate adaptation toolkit continues through the Public Services Board the Health Board will undertake climate risk assessments using weather projection scenarios. The Health Board will then revisit these reporting requirements when appropriate and when able to comply.

7.4 Data Quality Assurance

The Health Board is seeking to continually improve its data quality arrangements to enhance the quality and accuracy of key information.

The lack of a single electronic patient record and reliance on fragmented systems continue to pose the challenge of poor data quality and duplicate records of patients (within and across systems). We continue to work with operational teams to develop standard operating procedures and embed consistent approaches to data collection across services. Targeted training is provided where there are recurrent data quality errors or points of concern and principles of data quality and best practice are built into Welsh Patient Administration System (WPAS) system training.

Through 2025-26, a data quality kite mark has been developed and applied to four of our key reporting data sets. Consisting of six dimensions, it gives an indication of the quality of data based on factors such as validity, completion, timeliness and

duplication. The kite mark is a visual representation of quality to be displayed on reports and dashboards.

During the year we addressed our clinical coding backlog and since quarter two have achieved the monthly clinical coding 95% completeness target.

In November 2025 the reporting of the Health Board's Referral to Treatment (RTT) waiting times was suspended following the identification of an error in month end data. Alongside an internal investigation an external rapid review was commissioned by Welsh Government. Data governance and technical processes were examined. Data was corrected and re-submitted back to April 2025 and improvements to the monthly reconciliation and sign off procedures have been made. [Improvements in waiting times for outpatient appointments](#)

7.5 Ministerial Directions and Welsh Health Circulars

The Welsh Government has issued a number of Non-Statutory Instruments during 2025/26. Details of these and a record of any Ministerial Direction given is available on the following link: [Publications | GOV.WALES](#)

There were a number of Directions to the Health Board relating to the Statement of Financial entitlements, and these have been actioned. Directions relating to Quality Assurance and Performance Management, Escalating Concerns, and Closure of Regulated Care and Support Services 2026, Directions relating to Primary Care Contracted Services, and those relating to Primary Medical Services are being progressed.

Welsh Health Circulars (WHCs) are published by the Welsh Government to provide a streamlined, transparent and traceable method of communication between NHS Wales and NHS organisations. These Circulars relate to different areas such as policy, performance and delivery, planning, legislation, workforce, finance, quality and safety, governance, information technology, science, research, public health and letters to health professionals. Details of WHCs are available on the following link: [Health circulars: 2024 to 2027 | GOV.WALES](#)

Following receipt, all Ministerial Directions and Welsh Health Circulars are captured on a register, assigned to a lead Executive Team member, who is responsible for the implementation of required actions. Regular progress updates are requested to ensure that the necessary work is being progressed. The Board has designated oversight of this process to Board level Committees, with twice-yearly progress reports provided to the Audit Committee.

8 REVIEW OF EFFECTIVENESS

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

8.1 Internal Audit

Internal Audit provides me, as Accountable Officer, and the Board, through the Audit 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. I agree the scope of this work with the support of the Audit Committee and my particular focus is on areas that may present significant as well as local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The Internal Audit programme for 2025/26 has identified a number of key governance concerns. While progress has been made, procurement and contract management arrangements have shown some ongoing areas of non-compliance with Standing Financial Instructions, indicating an opportunity to further strengthen awareness and understanding among Executive and Senior leaders, particularly alongside the introduction of new procurement legislation.

There also remains concern regarding capital governance, with unsatisfactory assurance applied to a major capital scheme for the second consecutive year, requiring urgent implementation of recommendations from the Chief Executive's commissioned review. Instances of non-response to evidence requests from operational management were recorded as breaches of Standing Financial Instruction 3.2.2. Timeliness of management responses to draft reports has declined, with compliance against the twenty (20) working day target reducing from 85% in 2024/25 to 64% in 2025/26, including escalation in line with the Internal Audit Charter. Finally, while some progress has been made in closing agreed actions, this has not met expected levels, and in some cases submitted evidence has not demonstrated full completion of the agreed actions. I am clear that as Accountable Officer, I hold this area of work as critical for Executives and Senior Managers across the organisation and that these form part of performance review mechanisms.

The Head of Internal Audit has concluded:

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved Internal Audit plan is focused on risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement.

The overall opinion for 2025/26 is:

Limited assurance		The Board can take limited assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
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In relation to Delivery of the 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 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 Global Internal Audit Standards.

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

While summarising Audit Assignments, in some cases, audit work from previous years may also be included and where this is the case, details are given. This report also references assurances received through the internal audit of control systems operated by other NHS Wales organisations.

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, Internal Audit 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 and 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 summarised in table 1 below.

Table 1 – Summary of Audits 2025/26

Assurance rating	Internal Audit review
Substantial Assurance	Statutory Compliance: Asbestos Management
Reasonable Assurance	- Risk Management and Board Assurance Framework - Public Health: Prevention and Early intervention – Grant funded activity - Budget Setting (All Wales review) - Patient Experience - Complaints - Digital benefits and change - Community Services - Primary Medical Care – Contract Assurance Framework - Culture and Leadership Development – Delivery of priorities - Purchase cards & Petty cash
Limited Assurance	- Corporate Legislative Compliance - Civil Contingencies Act 2004 - Standards of Business Conduct - Executive Committee Governance - Value and Sustainability – delivering quality improvements - Learning – Regulatory reporting - Non-Digital Data and Technology (DDaT) controlled IT - Challenged Care services – Improvement Plans - Planned Care Major Change Programme – Governance and Delivery - Speaking Up Safely - On-call arrangements - NICE guidance compliance - Estate Management – Estates and Facilities Alerts - Contract management and procurement – Executive and Director corporate functions - Pharmacy Regulatory Compliance
Unsatisfactory	Integrated Audit Plan – Nuclear Medicine (Draft)
Advisory/Non-opinion	Follow-up of Audit Recommendations

Assurance rating	Internal Audit review
	• Urgent and Emergency Care: Implementation of Audit Wales actions • Consultant Job Planning follow up • Falls Management follow up • Contract management and procurement – Digital Data and Technology (Advisory) • Capital Governance Arrangements (Advisory) • Centre for Mental Health and Society (Advisory)

Please note that the overall opinion has also considered both the number and significance of any audits that have been deferred during the year and other information obtained during the year that was deemed to be relevant.

8.2 Audit Wales Structured Assessment

The Audit Wales Structured Assessment 2025 [Structured Assessment 25-26](#) is an annual process that considers whether the Health Board has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources, including how well the Board works; how it keeps track of risks, performance, service quality and recommendations; how it produces key plans and strategies; and how it manages its finances. The final report was received by the Health Board on 26 March 2026 and also reviewed progress in implementing recommendations from previous structured assessment reports and Audit Wales' 2024 report on cost savings.

Audit Wales concluded that the Board and its Committees operate effectively with open discussion and challenge, while identifying a need to further strengthen executive leadership arrangements to support collective leadership, appropriate delegation and resilience at Executive level. The assessment also recognised that the current operating model is not fit for purpose and highlighted the need for clearer performance accountabilities, noting that Foundations for the Future is an appropriately ambitious programme however, progress has taken longer than planned. In relation to financial management, Audit Wales recognised improvements in reporting and scrutiny but noted ongoing financial challenge, including a month-ten forecast deficit position for 2025/26 and the late issuing/signing of accountability agreements during the year.

Audit Wales made nine recommendations for the Health Board, grouped across: increasing transparency within Board business; strengthening lines of assurance to Board Committees; strengthening resilience within the Executive Team; ensuring financial controls are well-understood, clearly articulated and agreed; and ensuring sufficient programme management capacity for the review and implementation of operating structures. The governance-related recommendations have been incorporated into the Corporate Governance Improvement Plan, with progress to be monitored through the Audit Committee and reported onward for Board assurance.

9. CONCLUSION

As Accountable Officer for Betsi Cadwaladr University 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 and 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. Important to note is that Betsi Cadwaladr University Health Board continues to be on 'Special Measures' monitoring as part of NHS Wales Escalation and Intervention arrangements and therefore has a higher degree of oversight than other NHS bodies.

While governance and assurance arrangements have continued to mature during 2025-26, the Health Board continues to face significant operational performance challenge, particularly in Urgent and Emergency Care, Planned Care, Cancer and Diagnostics, where performance pressures remain material and require sustained improvement focus. In response, additional improvement capacity and expertise has been put in place through a time-limited, integrated Intervention Team / support package agreed with Welsh Government and NHS Performance & Improvement, focused on accelerating sustainable improvement across Urgent & Emergency Care, Planned Care and Cancer, with clear arrangements for governance, reporting and assurance through existing Board and Committee mechanism.

During 2025/26, the Health Board proactively identified areas requiring improvement alongside those identified in the Special Measures framework and requested that Internal Audit undertake detailed assessments in order to manage and mitigate associated risks. Further work will be undertaken to ensure implementation of recommendations arising from audit reviews, in particular where a limited assurance rating is applied. Work will also continue to embed risk management and the assurance framework at a corporate and operational level.

In relation to the management of risk, the Health Board has continued to strengthen its Risk Management Framework during 2025/26, including a more robust Board Assurance Framework aligned to strategic priorities and regular reporting of strategic and corporate risks through established governance routes. However, notwithstanding progress in strengthening risk oversight and governance processes, Audit Wales notes that risk scores have not routinely reduced during the year and that very few corporate risk scores have moved, indicating the need to sharpen the focus on the measurable impact of mitigating actions and the effectiveness of assurance in driving improvement.

Similarly, delivery of the Integrated Medium Term Plan has continued to be monitored through the year, with IMTP progress reporting indicating stronger completion of planned actions; however, Audit Wales has noted that changes in reporting have made it harder to track what has been completed in each period and to clearly demonstrate the impact of actions on intended outcomes. Implementation of the Board's Annual Governance Priorities, set out within the IMTP 2025–28, will support further strengthening of the Board's effectiveness and the system of internal control.

This Annual Governance Statement confirms that Betsi Cadwaladr University Health Board has continued to take positive steps to mature as an organisation and, whilst there are areas for strengthening, no significant internal control or governance issues have been identified.

The Board and 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 objectives and strategic risks. Together with the Board, I will continue to drive improvements and will seek to provide assurance for our citizens and stakeholders that how we operate and the services we provide are efficient, effective and appropriate, and are designed to meet patient needs and expectations. It is widely known that the demands on the health and care system remain significantly pressured, increasing health inequalities, and sustained economic and cost of living challenges. The Health Board will therefore need to continually reflect and respond to the demands and challenges it faces. I will ensure our Governance Framework considers and responds to this need.



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Carol Shillabeer, Chief Executive

Date: 25 June 2026

Appendix 1 - Board and Committee Membership 2025-26

Name	Position	Board Committee Membership
Dyfed Edwards	Chair	• Board Chair • Chair, Remuneration Committee
Carol Shillabeer	Chief Executive	• Board Member • In attendance, Remuneration Committee • Member, Local Partnership Forum • Chair, Executive Committee
Emma Adamson	*Associate Board Member	• Associate Board Member (from 13.05.25) • Chair, Healthcare Professionals Forum
Tehmeena Ajmal	Chief Operating Officer	• Board Member • In attendance, Quality, Safety and Experience Committee • In attendance, Performance, Finance and Information Governance Committee • In attendance, Planning, Population Health and Partnerships Committee • In attendance, People and Culture Committee
Dr Sreeman Andole	Interim Executive Medical Director	• Board Member (until 26.09.25) • In attendance, Quality, Safety and Experience Committee • In attendance, Audit Committee
Karen Balmer	Independent Member	• Board Member (until 31.07.25) • Chair, Audit Committee • Member, Charitable Funds Committee • Member, Remuneration Committee • Member, People and Culture Committee
Clare Budden	Independent Member	• Board Member • Chair, Planning, Population Health and Partnerships Committee • Member, Remuneration Committee • Member, People and Culture Committee
Russell Caldicott	Executive Director of Finance	• Board Member • In attendance, Audit Committee • Lead Director, Charitable Funds Committee • Lead Director, Performance, Finance and Information Governance Committee • Member, Local Partnership Forum
Clara Day	Executive Medical Director	• Board Member (from 29.09.25) • In attendance, Audit Committee • In attendance, Charitable Funds Committee • In attendance, Mental Health Legislation Committee • In attendance, Quality Safety and Experience Committee

Name	Position	Board Committee Membership
Debbie Eyitayo	Executive Director of People Services & Organisational Development	• Board Member (from 01.02.26) • Lead Director, People and Culture Committee • In attendance, Remuneration Committee
Urtha Felda	Independent Member	• Board Member • Member, Remuneration Committee • Member Audit Committee • Member, Quality Safety and Experience Committee
Christopher Lothian-Field	Independent Member	• Board Member • Member, Remuneration Committee • Member, Performance, Finance and Information Governance Committee • Member, Quality, Safety and Experience Committee • Member, Charitable Funds Committee
Dyfed Jones	Independent Member	• Board Member • Chair, People and Culture Committee • Chair, Charitable Funds Committee • Member, Remuneration Committee • Member, Audit Committee
Paul Lambert	Independent Member	• Board Member (from 13.10.25) • Chair, Audit Committee • Member, Remuneration Committee • Member, People and Culture Committee
Professor Mike Larvin (Dean of Medicine)	Independent Member	• Board Member • Member, Quality, Safety and Experience Committee • Member, Remuneration Committee
Peter Lewis	*Associate Board Member	• Associate Board Member (from 30.07.25) • Chair, Stakeholder Reference Group
Dr Jane Moore	Executive Director of Public Health	• Board Member • In attendance, Quality, Safety and Experience Committee • In attendance, Planning, Population Health and Partnerships Committee
William Nichols Trade Union	Independent Member	• Board Member • Member, Remuneration Committee • Member, Local Partnership Forum • Member, People and Culture Committee • Member, Planning, Population Health and Partnerships Committee

Name	Position	Board Committee Membership
Teresa Owen	Executive Director of Allied Health Professionals and Health Science	• Board Member • Lead Director, Mental Health Legislation Committee • In attendance, Quality, Safety and Experience Committee • In attendance, Planning, Population Health and Partnerships Committee • In attendance, People and Culture Committee
Mike Parry	*Associate Board Member	• Associate Board Member (until 30.06.25) • Chair, Stakeholder Reference Group
Fôn Roberts	*Associate Board Member	• Associate Board Member
Georgina Roberts	Interim Executive Director of People Services & Organisational Development	• Board Member (from 01.07.25 to 31.01.26) • In attendance, Remuneration Committee • In attendance, People and Culture Committee
Paolo Tardivel	Interim Executive Director of Transformation, and Strategic Planning	• Board Member • In attendance, Quality, Safety and Experience Committee • Lead Director, Planning, Population Health and Partnerships Committee • In attendance, Performance, Finance and Information Governance Committee
Dr Caroline Turner	Independent Member	• Board Member • Chair, Quality, Safety and Experience Committee • Member, Remuneration Committee • Member, Planning, Population Health and Partnership Committee
Rhian Watcyn Jones	Independent Member	• Board Member • Member, Audit Committee • Member, Remuneration Committee • Member, Performance, Finance and Information Governance Committee • Member, Mental Health Legislation Committee
Gareth Williams	Vice Chair	• Board Member • Chair, Performance, Finance and Information Governance Committee • Chair, Mental Health Legislation Committee • Member, Remuneration Committee • Member, Planning, Population Health and Partnerships Committee

Name	Position	Board Committee Membership
Angela Wood	Executive Director Nursing and Midwifery	• Board Member • Lead Director, Quality, Safety and Experience Committee • Member, Local Partnership Forum • In attendance, Performance, Finance and Information Governance Committee

NB Positions marked as * are not formal members of the Board for voting purposes
A number of Board Members have been appointed as Board Champions in addition to their Independent Member role

Appendix 2 - Meetings of the Health Board and Committees held in public 2025/26

Meeting	April 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	March 2026
Health Board	-	29.05.25	26.06.25	17.07.25 31.07.25	-	25.09.25	-	27.11.25	-	29.01.26	-	26.03.26
Quality, Safety and Experience Committee	-	01.05.25	-	03.07.25	-	04.09.25	-	06.11.25	-	15.01.26	-	05.03.26
Performance, Finance and Information Governance Committee	-	06.05.25	25.06.25	-	26.08.25	-	22.10.25	-	18.12.25	-	24.02.26	-
Remuneration Committee	07.04.25	19.05.25*	26.06.25*	02.07.25	-	-	07.10.25 16.10.25*	-	18.12.25*	12.01.26		17.03.26
Mental Health Legislation Committee	-	08.05.25	-	-	07.08.25	-	-	13.11.25	-	-	05.02.26	-
Audit Committee	-	08.05.25	24.06.25	-	19.08.25	-	21.10.25	-	16.12.25	-	17.02.25	-
Charitable Funds Committee	-	-	03.06.25	-	-	02.09.25	-	-	02.12.25	27.01.26	-	09.03.26
Planning, Population Health and	-	01.05.25	-	03.07.25	-	04.09.25	28.10.25	-	-	15.01.26	-	05.03.26



Partnerships Committee												
People and Culture Committee	10.04.25	-	12.06.25	-	14.08.25	-	16.10.25	-	04.12.25	-	12.02.26	-

Appendix 3 - BCUHB Health Board Member Attendance at Board Meetings held in public 2025/26

Y = Present N = Not Present

Name	Position	29.05.25	26.06.26	17.07.25*	31.07.26	25.09.25	27.11.25	29.01.26	26.03.26
Angela Wood	Executive Director of Nursing and Midwifery	Y	Y	N	Y	Y	Y	N	Y
Carol Shillabeer	Chief Executive	Y	Y	Y	Y	Y	Y	Y	Y
Caroline Turner	Independent Member	Y	Y	Y	Y	Y	N	Y	Y
Chris Lothian-Field	Independent Member	Y	N	N	Y	Y	Y	Y	Y
Clara Day	Executive Medical Director						Y	Y	Y
Clare Budden	Independent Member	Y	N	Y	Y	Y	Y	Y	Y
Debbie Eytayo	Executive Director of People Services & Organisational Development								Y
Dyfed Edwards	Chair	Y	Y	Y	Y	Y	Y	Y	Y
Dyfed Jones	Independent Member	Y	Y	Y	Y	Y	Y	Y	N
Emma Adamson	Associate Member		Y	Y	N	Y	Y	Y	Y



Name	Position	29.05.25	26.06.26	17.07.25*	31.07.26	25.09.25	27.11.25	29.01.26	26.03.26
Gareth Williams	Vice Chair	Y	Y	Y	Y	Y	Y	N	Y
Georgina Roberts	Interim Executive Director of Peoples Services & Organisational Development			N	Y	N	Y	Y	
Jane Moore	Executive Director of Public Health	Y	N	Y	Y	Y	Y	Y	Y
Karen Balmer	Independent Member	Y	N	Y	Y				
Prof Mike Larvin	Independent Member	Y	N	Y	Y	Y	Y	Y	Y
Paolo Tardivel	Executive Director of Transformation & Strategic Planning	N	Y	N	Y	Y	Y	Y	Y
Paul Lambert	Independent Member						Y	Y	Y
Peter Lewis	Associate Member					Y	Y	Y	Y
Mike Parry	Associate Member	Y	N						
Rhian Watcyn Jones	Independent Member	Y	Y	N	Y	Y	Y	Y	Y



Name	Position	29.05.25	26.06.26	17.07.25*	31.07.26	25.09.25	27.11.25	29.01.26	26.03.26
Russell Caldicott	Executive Director of Finance	Y	Y	Y	Y	Y	Y	Y	Y
Dr Sreeman Andole	Interim Executive Medical Director	Y	Y	Y	Y	N			
Tehmeena Ajmal	Chief Operating Officer	Y	Y	Y	Y	Y	Y	Y	Y
Teresa Owen	Executive Director of Allied Health Professionals & Health Science	Y	Y	Y	Y	Y	Y	Y	Y
Urtha Felda	Independent Member	Y	Y	Y	Y	Y	Y	Y	Y
William (Billy) Nichols	Independent Member	Y	Y	Y	Y	Y	Y	Y	Y

In Attendance

Name	Position	29.05.25	26.06.25	17.07.25*	31.07.25	25.09.25	27.11.25	29.01.26	26.03.26
Dylan Roberts	Chief Digital and Information Officer	N	N	N	N	N	N	N	N
Georgina Roberts	Senior Associate	Y	Y						



Name	Position	29.05.25	26.06.25	17.07.25*	31.07.25	25.09.25	27.11.25	29.01.26	26.03.26
	Director, Peoples Services								
Helen Stevens-Jones	Director of Partnership, Engagement & Communications	Y	Y	Y	Y	Y	Y	Y	Y
Jason Brannan	Deputy Director of People	Y	N	Y		Y			
Justine Parry	Acting Director of Digital, Data & Technology							Y	Y
Pam Wenger	Director of Corporate Governance	Y	Y	Y	Y	Y	Y	Y	Y
Phylis Makurunje	Aspiring Board Member	N	Y	N	Y	Y	Y	N	N
Stephen Powell	Director of Performance and Commissioning	Y	Y	N	N	N			
Stuart Keen	Director of Environment & Estates	Y	Y	Y	Y	Y	Y	Y	Y

* Extraordinary Meeting

2. Remuneration Report 2025-26

Policies for the Remuneration of Staff and Senior Managers

Senior Managers are those who have authority or responsibility for directing and controlling the major activities of the Health Board as a whole, this includes those Members of the Executive Team who are regular attendees at Board meetings. The names and titles of Board members are disclosed in the salary table above.

From October 2004, the NHS Agenda for Change (AfC) process was introduced to achieve consistency in contracts and terms and conditions across NHS Wales. The relevant all-Wales contract is issued to all staff and managers (excluding directors) upon appointment. Separate All Wales contracts are agreed for Doctors & Dentists, and Directors.

Pay letter AfC (W) 02/2025 (published on 29 May 2025) uplifted pay scales by 3.6% with effect from 1 April 2025 for all staff on AfC terms and conditions.

During 2025/26, NHS Wales implemented the Real Living Wage in line with the Living Wage Foundation's recommendations. From 1 April 2025, an advance uplift prior to the annual pay award for 2025/26 was applied for all directly employed NHS staff to £12.60 per hour in line with the Living Wage foundation rate (AfC(W) 01/2025).

The Medical and Dental (W) 01/2025 pay letter, published on 29 May 2025 detailed a 4% uplift to basic pay, backdated to 01 April 2025 for Consultants, Speciality and Associate Specialists on the 2008 Contract, Specialty and Specialist Doctors on the 2021 contract and Salaried General Dental Practitioners. Resident Doctors also received an uplift of 4% to basic pay plus an additional £750 consolidated payment.

Medical and Dental Pay Letter (W) 01/2025 v2 confirmed a correction to pay points MN25.00 and MN25.01 for Specialty Registrars and Medical and Dental Pay Letter (W) 01/2025 v3 confirmed an uplift of 4% to basic pay for salaried General Medical Practitioners.

Executives and Directors are remunerated by use of the Executive and Senior Pay (ESP) Scale, introduced by the Welsh Government. Pay awards are determined nationally and applied locally based upon instructions from Welsh Government. The pay letter ESP(W) 01/2026 provided for an increase of 3.25% applicable from 1 April 2025 for individuals holding Executive and Senior posts.

The Health Board does not operate a performance related pay system for Very Senior Managers. All contracts for substantive roles are permanent and notice periods for Very Senior Managers are three months.

Independent Members are appointed for a term of up to four years and can be re-appointed for a further four years. The maximum term must not exceed eight years. Independent Members receive nationally determined remuneration during their

period of appointment. Remuneration for these roles has remained static in recent years, however an increase was confirmed to Health Boards on the 15th April 2026, backdated to 1st January 2026.

The Hybrid Working Allowance Protocol originally approved at the Remuneration Committee on the 19 August 2024 remains in operation. The protocol applies to newly appointed ESP contracted staff who are not fully relocating to North Wales. Each application in line with this protocol must be agreed by the Chief Executive and approved by the Remuneration Committee. A non-pensionable sum of up to £8,000 is applied and after the first year it is paid annually until costs of living awards have eroded the payment. The sum is comparable with relocation allowance and where it is used the employee cannot claim any expenses from their home location to North Wales.

Equality, Diversity and Inclusion

In relation to Equality, Diversity and Inclusion (EDI), the Health Board is supported by a dedicated Equality Team. The team provides advice and support to enable compliance with legal duties under the Equality Act 2010 and the Human Rights Act 1998, including the Socio-economic Duty. This support includes providing guidance, training and assurance to the Board, Executive Team, managers and staff, particularly in relation to Equality Risk Assessments and the consideration of socio-economic impacts.

The Health Board is required to develop and deliver action plans in line with its Public Sector Equality Duty, alongside Welsh Government-led strategies and action plans. These include, but are not limited to, the Anti-racist Action Plan, LGBTQ+ Action Plan, Women's Plan, Accessible Communications and Information Standards, the Code of Practice for Autism Services, and the recently published Disabled People's Rights Plan. These action plans, together with the Health Board's Strategic Equality Objectives and Equality Plan, are co-produced with staff and external stakeholders to ensure meaningful engagement and lived experience informs delivery.

The Health Board is supported by a number of equality-focused staff networks, including:

- **BCUnity**, supporting ethnic minority staff
- **Celtic Pride**, supporting LGBTQ+ staff
- **The Gen**, providing gender-based support
- **RespectAbility**, supporting disabled staff
- **Neurodiversity (ND) Network**, focusing on neurodivergent staff

In addition, support is available through Menopause Cafés and other informal mechanisms. These networks play an important role in supporting staff wellbeing and in the co-production of EDI action plans across the Health Board.

During the onboarding process, new staff are provided with a Staff Handbook which includes information about staff networks, support services and available training

opportunities. The Health Board intranet also hosts a range of resource pages, including guidance for managers on reasonable adjustments and Access to Work support.

A range of EDI-focused training is available to staff, including Active Bystander training, neurodiversity awareness, cultural competence, and training focused on specific protected characteristics.

The Health Board is pleased to have retained its **Level 3: Disability Confident Leader** status within the UK Government's Disability Confident Scheme. Achievement of Level 3 requires independent assessment and the provision of robust evidence demonstrating how the organisation supports prospective and current disabled employees.

Evidence submitted includes a range of policies, procedures and resources, including:

- NHS Wales Special Leave Policy
- NHS Wales Flexible Working Policy
- NHS Wales Respect and Resolution Policy
- Guidelines on the Fair Treatment of Disabled People at Work in BCUHB
- Appendix A – Reasonable and Tailored Adjustments: Further Information
- Appendix B – NHS Wales Managing Attendance at Work Policy (Reasonable Adjustments)
- Redeployment Policy
- HS01 Occupational Health, Safety and Security Policy
- Flexitime Procedure
- Values and Behaviours Framework
- Temporary Injury Allowance Procedure
- Occupational Health services
- Financial Wellbeing support

The Remuneration Committee

The Remuneration and Terms of Service for Executive Directors and the Chief Executive are agreed, and kept under review, by the Health Board's Remuneration Committee. The Committee also monitors and evaluates the annual performance of the Chief Executive and individual Directors (the latter with the advice of the Chief Executive). The Committee was chaired by Dyfed Edwards, Chair of the Health Board.

The Remuneration Committee considers issues of equality and diversity when evaluating and setting remuneration for Directors', particularly in relation to gender and ethnicity in pay levels, in line with Welsh Government's Framework.

The Committee was scheduled to meet bi-monthly during the reporting period, with five routine meetings held. In order to proceed with recruitment or approval of appointments, this necessitated changing some scheduled dates and convening four additional meetings. Therefore, during the reporting period, the Remuneration Committee met on nine occasions.

At the Remuneration Committee held on 7th April 2025 the Terms of Reference for the Committee was reviewed. Chair's actions were undertaken in regard to 4 appointment decisions, which were subsequently ratified at meetings of the Committee.

In addition, it was agreed that the Advisory Appointment Committee Panel Consultant Appointments reports will be transferred to the People and Culture Committee.

The key substantive agenda items considered during the 2025-26 reporting period were as follows: -

- Executive Director appointments, changes, objectives, and appraisals, including portfolio and salary reviews;
- Case Management and Tribunals (Executives and Very Senior Managers) including negotiations of settlement;
- Updates on Senior Agency Interim Manager appointments and extensions;
- Foundations for the Future (FftF) – Operating Model;
- Extensions to Very Senior Manager secondments whilst awaiting implementation of FftF programme;
- Medical and Dental Conduct, Capability and Health;
- Uplift of pay for employees and workers on ad hoc pay rates;
- Review of Terms of Reference and Cycle of Business of the Committee;
- Independent Review – Management Response;
- Protocol for the payment of Hybrid Working Allowance for ESP Contracted Staff / Management Allowance Expenses (Hybrid Working Protocol and Relocation Policy);
- Special Advisor appointments extension;
- Confirmation of Consultant appointments from the Advisory Appointment Committee Panels to April 2025 meeting
- Review of Executive recruitment procedures and selection methods
- Executive Procurement Training - Compliance against WHC (2024/013)
- Remuneration Committee Annual Report 2024/25
- Pay Uplift for 2025/26
- Welsh Government support – interim appointments

The Committee members during the year were:

Role on Committee	Name	Job Title	Dates
Chair	Dyfed Edwards	Chair of the Health Board	1 April 2025 to 31 March 2026
Member	Gareth Williams	Vice Chair of the Health Board	1 April 2025 to 31 March 2026



Member	Karen Balmer	Independent Member of the Health Board	1 April 2025 to 31 July 2025
Member	Rhian Watcyn Jones	Independent Member of the Health Board	1 April 2025 to 31 March 2026
Member	Sir Paul Lambert	Independent Member of the Health Board	13 October 2025 to 31 March 2026
Member	Professor Mike Larvin	Independent Member of the Health Board	1 April 2025 to 31 March 2026
Member	Clare Budden	Independent Member of the Health Board	1 April 2025 to 31 March 2026
Member	Cllr Dyfed Jones	Independent Member of the Health Board	1 April 2025 to 31 March 2026
Member	Urtha Felda	Independent Member of the Health Board	1 April 2025 to 31 March 2026
Member	Caroline Turner	Independent Member of the Health Board	1 April 2025 to 31 March 2026

In Attendance:

Role on Committee	Name	Job Title	Dates
In attendance	Carol Shillabeer	Chief Executive	1 April 2025 to 31 March 2026
In attendance	Jason Brannan	Deputy Director of People	1 April 2025 to 19 May 2025
In attendance	Debbie Eyitayo	Executive Director People Services and Organisational Development	1 February 2026 to 31 March 2026

In attendance	Georgina Roberts	Acting Executive Director People Services and Organisational Development	1 July 2025 to 31 January 2026
In attendance	Pam Wenger	Director of Corporate Governance	1 April 2025 to 31 March 2026

Remuneration Relationships

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. This information can be found in the Annual Accounts, Note 9.6.

The highest paid director in 2025-26 was the Chief Executive, comparative to the prior year. In 2025-26, 18 (2024-25, 19) employees received remuneration in excess of the highest paid director.

Exit Packages and Severance Payments

Details of all severance payments agreed during the year can be found in Note 9.5 to the Annual Accounts and Appendix 1 within this document.

Senior Manager Salary and Pension Disclosures and Single Total Figure of Remuneration

The total figures in the table below (Single Total Figure of Remuneration) for each Senior Manager includes a figure for the in-year pension benefit, calculated using information supplied by the NHS Pensions Agency. The figure does not represent the actual amount paid to an individual during the year and reflects an accounting assessment of the increase in long term benefits adjusted for inflation. These figures can be influenced by many factors including changes to a person's salary, additional contributions made by individuals and underlying valuation factors on the scheme as a whole.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the NHS pension arrangements. They also

include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV: The real increase is the increase due to additional benefit accrual (i.e., as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.

Single Total Figure of Senior Manager Remuneration

Notes	Name	Role	Effective Dates	2025-26					2024-25				
				Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)	Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)
				Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000	Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000
1	C Shillabeer	Chief Executive	01/04/2025 - 31/03/2026	270 - 275	-	50	320 - 325	-	260 - 265	-	180	440 - 445	-
2	D Edwards	Chair	01/04/2025 - 31/03/2026	70 - 75	3,700	-	70 - 75	-	65 - 70	900	-	70 - 75	-
3	T Ajmal	Chief Operating Officer	01/04/2025 - 31/03/2026	180 - 185	-	-	180 - 185	-					
4	P Wenger	Director of Corporate Governance	01/04/2025 - 31/03/2026	150 - 155	-	-	150 - 155	-	150 - 155	200	40	190 - 195	-
5	R Caldicott	Executive Director of Finance	01/04/2025 - 31/03/2026	190 - 195	-	44	235 - 240	-	175 - 180	-	162	340 - 345	-
	T Owen	Executive Director of Allied Health Professionals and Health Science	01/04/2025 - 31/03/2026	155 - 160	-	106	265 - 270	-	100 - 105	-	-	100 - 105	150 - 155
	J Moore	Executive Director of Public Health	01/04/2025 - 31/03/2026	140 - 145	-	42	180 - 185	-	90 - 95	-	-	90 - 95	135 - 140
6	C Day	Executive Medical Director	29/09/2025 - 31/03/2026	110 - 115	-	7	115 - 120	220 - 225					



Notes	Name	Role	Effective Dates	2025-26					2024-25				
				Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)	Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)
				Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000	Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000
7	S Andole	Interim Executive Medical Director	01/04/2025 - 26/09/2025	100 - 105	-	-	100 - 105	210 - 215	70 - 75	-	101	170 - 175	210 - 215
8	D Eytayo	Executive Director of People Services & Organisational Development	01/02/2026 - 31/03/2026	25 - 30	-	-	25 - 30	170 – 175					
9	G Roberts	Interim Executive Director of People Services & Organisational Development	01/07/2025 - 31/01/2026	85 - 90	-	216	300 - 305	145 - 150					
10	P Tardivel	Interim Executive Director of Transformation and Strategic Planning	01/04/2025 - 31/03/2026	135 - 140	1,300	29	165 - 170	-	10 - 15	100	3	10 - 15	135 - 140
	A Wood	Executive Director of	01/04/2025 - 31/03/2026	160 - 165	-	35	195 - 200	-	155 - 160	-	58	210 - 215	-



Notes	Name	Role	Effective Dates	2025-26					2024-25				
				Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)	Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)
				Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000	Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000
		Nursing & Midwifery											
11	G Williams	Vice Chair	01/04/2025 - 31/03/2026	55 - 60	200	-	55 - 60	-	40 - 45	600	-	40 - 45	55 - 60
12	R Watcyn-Jones	Independent Member	01/04/2025 - 31/03/2026	15 - 20	1,400	-	15 - 20	-	15 - 20	2,100	-	15 - 20	-
13	K Balmer	Independent Member	01/04/2025 - 31/07/2025	5 - 10	300	-	5 - 10	15 - 20	15 - 20	700	-	15 - 20	-
14	P Lambert	Independent Member	13/10/2025 - 31/03/2026	5 - 10	900	-	5 - 10	15 - 20					
15	Prof M Larvin	Independent Member	01/04/2025 - 31/03/2026	-	-	-	-	-	-	-	-	-	-
12	D Jones	Independent Member	01/04/2025 - 31/03/2026	15 - 20	1,200	-	15 - 20	-	15 - 20	300	-	15 - 20	-
12	C Budden	Independent Member	01/04/2025 - 31/03/2026	15 - 20	200	-	15 - 20	-	15 - 20	200	-	15 - 20	-
12	U Felda	Independent Member	01/04/2025 - 31/03/2026	15 - 20	1,200	-	15 - 20	-	15 - 20	1,200	-	15 - 20	-
12	Dr C Turner	Independent Member	01/04/2025 - 31/03/2026	15 - 20	2,300	-	15 - 20	-	15 - 20	3,000	-	15 - 20	-



Notes	Name	Role	Effective Dates	2025-26					2024-25				
				Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)	Salary £'000	Benefit in Kind	Pension Benefit	Total	Full Year Equivalent Salary (If Part Year)
				Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000	Bands of £5,000	Nearest £100	Nearest £1,000	Bands of £5,000	£'000
16	W Nichols	Independent Member	01/04/2025 - 31/03/2026	-	-	-	-	-	-	-	-	-	-
	C Lothian-Field	Independent Member	01/04/2025 - 31/03/2026	15 - 20	-	-	15 - 20	-	15 - 20	-	-	15 - 20	-
17	F Roberts	Associate Board Member	01/04/2025 - 31/03/2026	-	-	-	-	-	-	-	-	-	-
17	M Parry	Associate Board Member	01/04/2025 - 20/06/2025	-	-	-	-	-	-	-	-	-	-
17	P Lewis	Associate Board Member	30/07/2025 - 31/03/2026	-	-	-	-	-					
17	E Adamson	Associate Board Member	13/05/2025 - 31/03/2026	-	-	-	-	-					

Notes

1. C Shillabeer, Chief Executive. Included in the salary figure is responsibility allowance of £13,668.24.
2. D Edwards, Chair, was in receipt of taxable travel to the value of £3,700.
3. T Ajmal, Chief Operating Officer, was appointed on a substantive basis effective 1st April 2025. Included in the salary figure is hybrid working allowance of £8,000. Reports provided through the Pension Agency do not accurately reflect the pension increase benefit during the Financial Year, therefore, the value has been excluded.
4. P Wenger, Director of Corporate Governance. The substantive role includes duties and responsibilities for the post of Board Secretary. Included in the salary figure is hybrid working allowance of £3,371.

5. R Caldicott, Executive Director of Finance, was appointed on a substantive basis effective 1st April 2025. Included in the salary figure is hybrid working allowance of £8,000.
6. C Day, Executive Medical Director, was appointed on a substantive basis effective 29th September 2025. Included in the salary figure is hybrid working allowance of £4,000.
7. S Andole, Interim Executive Medical Director, was in post until 26th September 2025. Included in the salary figure is management allowance of £648.
8. D Eytayo, Executive Director of Workforce & Organisational Development, was appointed on a substantive basis effective 1st February 2026.
9. G Roberts, Interim Executive Director of Workforce & Organisational Development, effective from 1st July 2025 to 31st January 2026. Outside of this period, G Roberts is employed by the Health Board in a substantive post. The pension benefit disclosed has been pro-rated to reflect the period in which the executive remuneration applied.
10. P Tardivel, Interim Executive Director of Transformation and Strategic Planning. The employee was in receipt of salary sacrifice benefit to the value of £1,300. Salary sacrifice payments to the value of £6,284 have been deducted from the salary figure. The gross salary banding before salary sacrifice adjustments is £140,000 - £145,000. Prior year figures are disclosed inclusive of salary sacrifice payments.
11. G Williams, Vice Chair, was in receipt of taxable travel to the value of £200.
12. Independent Members in receipt of taxable travel include R Watcyn-Jones (£1,400), D Jones (£1,200), C Budden (£200), U Felda (£1,200) and Dr C Turner (£2,300).
13. K Balmer, Independent Member, was in post until 31st July 2025. The employee was in receipt of taxable travel to the value of £300.
14. P Lambert, Independent Member, was appointed on 13th October 2025. The employee was in receipt of taxable travel to the value of £900.
15. Professor M Larvin, Independent Member, is Pro Vice Chancellor for Medicine and Health and Dean of Medicine, Bangor University. Professor Larvin is a university representative and is not paid by the Health Board in respect of this role.
16. W Nichols, Independent Member, is employed substantively by the Health Board. W Nichols is a Trade Union Representative on the Board and is not paid by the Health Board in respect of this role.
17. Associate Board Members are non-voting members on the Board and are not paid by the Health Board in respect of their roles. P Lewis and E Adamson both joined the Board during the year effective from 30th July 2025 and 13th May 2025 respectively.



Pension Benefit Table

Name	Role	Effective Dates	Real Increase in Accrued Pension	Real Increase in Lump Sum	Total accrued pension at 31 March 2026	Lump Sum Related to Accrued Pension at 31 March 2026	Cash Equivalent Transfer Value as at 31 March 2025	Cash Equivalent Transfer Value as at 31 March 2026	Real Increase in Cash Equivalent Transfer Value
			Bands of £2,500 £'000	Bands of £2,500 £'000	Bands of £5,000 £'000	Bands of £5,000 £'000	£'000	£'000	£'000
C Shillabeer	Chief Executive	01/04/2025 - 31/03/2026	5.0 – 7.5	2.5 – 5.0	105 - 110	260 - 265	2,274	2,458	112
T Ajmal Note 1	Chief Operating Officer	01/04/2025 - 31/03/2026	-	-	-	-	-	-	-
P Wenger	Director of Corporate Governance	01/04/2025 - 31/03/2026	-	-	5 - 10	-	296	85	-
R Caldicott	Executive Director of Finance	01/04/2025 - 31/03/2026	2.5 - 5.0	2.5 - 5.0	65 - 70	155 - 160	1,333	1,457	84
T Owen	Executive Director of Allied Health Professions & Health Science	01/04/2025 - 31/03/2026	5.0 - 7.5	10.0 - 12.5	65 - 70	170 - 175	1,434	1,634	153
Dr J Moore	Executive Director of Public Health	01/04/2025 - 31/03/2026	2.5 - 5.0	-	90 - 95	-	1,579	1,718	100



Name	Role	Effective Dates	Real Increase in Accrued Pension	Real Increase in Lump Sum	Total accrued pension at 31 March 2026	Lump Sum Related to Accrued Pension at 31 March 2026	Cash Equivalent Transfer Value as at 31 March 2025	Cash Equivalent Transfer Value as at 31 March 2026	Real Increase in Cash Equivalent Transfer Value
			Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000			
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dr C Day	Executive Medical Director	29/09/2025 - 31/03/2026	0.0 - 2.5	-	0 - 5	-	-	31	15
S Andole	Interim Executive Medical Director	01/04/2025 - 26/09/2025	-	-	-	-	1,117	-	-
D Eytayo Note 2	Executive Director of People Services & Organisational Development	01/02/2026 - 31/03/2026	-	-	-	-	-	-	-
G Roberts	Interim Executive Director People Services & Organisational Development	01/07/2025 - 31/01/2026	10.0 - 12.5	-	15 - 20	-	-	300	157
P Tardivel	Interim Executive Director of	01/04/2025 - 31/03/2026	2.5 - 5.0	-	35 - 40	-	441	493	36



Name	Role	Effective Dates	Real Increase in Accrued Pension	Real Increase in Lump Sum	Total accrued pension at 31 March 2026	Lump Sum Related to Accrued Pension at 31 March 2026	Cash Equivalent Transfer Value as at 31 March 2025	Cash Equivalent Transfer Value as at 31 March 2026	Real Increase in Cash Equivalent Transfer Value
			Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000			
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Transformation and Strategic Planning								
A Wood	Executive Director of Nursing and Midwifery	01/04/2025 - 31/03/2026	2.5 - 5.0	0.0 - 2.5	40 - 45	90 - 95	889	982	77

1. Reports provided through the Pension Agency do not accurately reflect the pension increase benefit during the Financial Year, therefore, the values have been excluded.
2. Reports provided through the Pension Agency are incomplete due to the employee's start date in the Financial Year. Therefore, applicable values have been reported as nil.

Staff Report

The average number of full time equivalent (FTE) staff employed by the Health Board during 2025-26 is reported below.

Professional Group	Permanent Staff	Staff on Inward Secondment	Agency Staff	Speciality Trainee (SLE)	Collaborative Bank Staff	Other	Total
Administrative, clerical and board members	3,605	7	6	0	0	0	3,618
Medical and dental	1,167	18	10	506	0	85	1,786
Nursing, midwifery registered	5,901	0	98	0	0	0	5,999
Professional, Scientific, and technical staff	797	6	2	0	0	0	805
Additional Clinical Services	3,876	2	0	0	0	0	3,878
Allied Health Professions	1,269	0	26	0	0	23	1,318
Healthcare Scientists	322	0	0	0	0	2	324
Estates and Ancillary	1,318	0	0	0	0	0	1,318
Students	27	0	0	0	0	0	27
Total	18,282	33	142	506	0	110	19,073

The actual number of staff in post as at 31st March 2026 was 21,439 and the gender composition is provided in the table below.

Staff Composition	Female	Male	Grand Total
Executive	7	2	9
Manager	140	72	212
Staff	17,153	4,065	21,218
Grand Total	17,043	4,058	21,439

*For the purpose of this report manager is defined as a member of staff at Band 8c and above (or equivalent level for medical staff) based in a corporate function or operational Division with significant managerial and decision-making responsibilities affecting the whole organisation. Managers exclude the posts Nurse Consultant, Consultant Midwife and Clinical Scientist Consultant

The sickness absence data for 2025-26 is provided below.

	2024-25	2025-26
FTE Days lost (long term)* ¹	280,894	288,069
FTE Days lost (short term)* ¹	124,545	120,230
Total days lost	405,439	408,299

Average working days lost* ²	14	14
Total staff employed in period (headcount)* ²	20,958	21,259
Total staff employed in period with no absence (headcount)* ³	5,944	6,274
Percentage staff with no sick leave	28%	29%

*1 - These figures are calculated on a Full Time Equivalent basis. Sickness absence is measured using calendar days on the Electronic Staff Record system, which includes all days from the start to end of a period of absence, including weekends or days when a member of staff would not have been rostered to work. Therefore, the number of working days lost is lower than the days lost figure.

*2 - Average over 12 months

*3 - Headcount is count of Primary Assignments

*Please note this includes starters within the reporting period as recommended by All Wales data standards.

The overall percentage sickness absence in 2025-26 was 6.09% (2024-25 was 6.05%). Levels of sickness absence remained similar to the previous year. The main cause of absence remains anxiety, stress, and depression accounting for approximately 30% of all sickness absence. Anecdotally we are told that this is a combination of work and personal stress due to financial hardship and caring responsibilities. The People Services Teams are working with managers to manage absence and to encourage an uptake in flexible working to help staff manage their personal and professional lives alleviating personal stressors. Other reported reasons for long periods of absence are an increase in chronic conditions in younger staff, age-related health conditions and waiting time for treatments. With an increasing number of staff choosing to work for longer there continues to be a strong correlation between the age of the workforce and overall levels of absence. It is also anecdotally reported that General Practitioners are issuing fit notes for longer periods of time often without having seen the staff member.

Off Payroll Engagements and Consultancy

Off-payroll working is the term used by HM Revenue and Customs (HMRC) to describe a situation where an individual worker provided their own personal service to an organisation.

The Health Board is required to disclose Off-payroll and Consultancy expenditure. The tables below outline the details of the Off Payroll Engagements that the Health Board has in place. It should be noted that HMRC introduced new rules in relation to compliance with tax regulations that took effect from 6th April 2017. These changes have widened the responsibilities of the Health Board in managing the Off Payroll engagements and most engagements will be subject to tax and National Insurance at source.

The Health Board has undertaken IR35 assessments for all relevant off-payroll engagements.

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



Number (No.) of existing engagements as of 31 March 2026	279
Of which...	
No. that have existed for less than one year	123
No. that have existed for between one and two years	70
No. that have existed for between two and three years	20
No. that have existed for between three and four years	22
No. that have existed for four or more years	44

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2026	123
Of which;	
Not subject to off-payroll legislation	123
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: No. of engagements that saw a change to IR35 status following review	0

The above tables detail all off-payroll engagements within the payroll system.

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

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both on payroll and off-payroll engagements.	27

*The Board Members and Senior Officials who are deemed to be Senior Managers are those individuals whose salary details are disclosed on pages 127 to 131 of this report.

During the year the Health Board incurred expenditure of £0.642m on external consultancy services.

Appendix 1 – Exit Packages and Severance Payments

	2025-26								2024-25	
Exit packages cost band (including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures	Cost of Other Departures	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departures Where Special Payments Have Been Made	Cost of Special Element Included in Exit Package	Total Number of Exit Packages	Total Cost of Exit Packages
	Whole numbers only	£	Whole numbers only	£	Whole numbers only	£	Whole numbers only	£	Whole numbers only	£
less than £10,000	1	6,943	70	244,038	71	250,981	0	0	60	222,254
£10,000 to £25,000	0	0	4	52,521	4	52,521	0	0	10	178,848
£25,000 to £50,000	0	0	2	74,581	2	74,581	0	0	0	0
£50,000 to £100,000	0	0	0	0	0	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0	0	0	0	0	0
Total	1	6,943	76	371,140	77	378,083	0	0	70	401,102

3. Senedd Cymru/Welsh Parliamentary Accountability and Audit Report

The Health Board is required to compile and publish an Accountability Report, the content of which is prescribed by the Welsh Government.

Regularity of expenditure

HM Treasury defines regularity as the requirement for all items of expenditure to be dealt with in accordance with the legislation authorising them, any applicable delegated authorities and rules of Government Accounting.

The Health Board is empowered to incur expenditure by the National Health Service (Wales) Act 2006 and receives revenue and capital resource allocations from the Welsh Government.

The Health Board's budget setting process aims to ensure that resources are allocated across the organisation for legitimate purposes. The Health Board has delegated arrangements with budget holders who must operate in accordance with their Accountability Agreements and the Standing Financial Instructions (SFIs) of the Health Board.

Arrangements are in place to monitor compliance with the SFIs and these are reported to each Audit Committee through the Conformance Report. In addition to a comprehensive Internal Audit programme the Health Board has a Local Counter Fraud Team.

The Health Board complies with recognised reporting standards to the extent that they are applicable to the Public Sector and the accounts are produced in accordance with the Manual for Accounts produced by the Welsh Government. Monthly financial monitoring returns are submitted to the Welsh Government with explanations for variances.

Audit Wales has issued a qualified regularity opinion on the 2025-26 annual financial statements as the Health Board did not meet its financial duty to break-even against its Revenue Resource Limit over the three-year period 2023-24 to 2025-26 (failure to meet the first financial duty). The Health Board incurred a deficit of £17.257m against its Revenue Resource Limit during the year with a cumulative deficit of £49.164m over the three-year period 1st April 2023-31st March 2026.

Fees and charges

Fees and charges are not routinely charged to NHS patients unless the Health Board is permitted under the legislation to make a charge. Examples would include dental work and access to health records. It is confirmed that, to the best of our knowledge, the Health Board complies with Welsh Government directives in respect of charge rates.

Remote contingent liabilities

The Health Board is required to account for all remote contingencies in accordance with International Accounting Standard 37 (IAS37). To the best of our knowledge, the Health Board does not have any such liabilities that require disclosure.

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 Betsi Cadwaladr University Health Board for the year ended 31 March 2026 under Section 61 of the Public Audit (Wales) Act 2004.

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

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

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

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

Opinion on regularity

In my opinion, except for the matter described in the Basis for Qualified Regularity Opinion section of my report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of Betsi Cadwaladr University Health Board's financial statements because the Health Board has breached its resource limit by spending £49.16 million 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 146.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards

are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

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

Conclusions relating to going concern

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

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

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

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

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon.

The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

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

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

Matters on which I report by exception

In the light of the knowledge and understanding of Betsi Cadwaladr University Health Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report or the 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, 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 Betsi Cadwaladr University 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 Betsi Cadwaladr University 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 Betsi Cadwaladr University Health Board's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.
- Obtaining an understanding of Betsi Cadwaladr University Health Board's framework of authority as well as other legal and regulatory frameworks that Betsi Cadwaladr University 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 Betsi Cadwaladr University Health Board.
- Obtaining an understanding of related party relationships.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee 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.

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

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

Other auditor's responsibilities

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

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

Report

I have no observations to make on these financial statements.

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 Betsi Cadwaladr University Health Board's (the Health Board's) financial statements. I am reporting on these financial statements for the year ended 31 March 2026 to draw attention to two key matters for my audit. These are the failure against the first financial duty and consequential qualification of my 'regularity' opinion and the failure of the second financial duty. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial duties

The Health Board is 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 Health Board's by allowing them to balance their income with their expenditure over a three-year rolling period. The three-year period being measured under this duty this year is 2023-2024 to 2025-2026.

As shown in Note 2.1 to the Financial Statements, 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 £6,899 million by £49.16 million.

Where a Health Board does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. spending limit) for those three years exceeds the Health Board'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 Health Boards to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. A Health Board 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 meet its second financial duty to 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

Part Three – The Financial Statements

1. The Audited Annual Accounts 2025-26

BETSI CADWALADR UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

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

Statutory background

Betsi Cadwaladr University Local Health Board was established on 1st October 2009 under Statutory Instrument 2009 No.1558 (W.153) The National Health Service Trusts (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order - 2009. This involved the merger of North Wales NHS Trust, North West Wales NHS Trust, Anglesey Local Health Board, Conwy Local Health Board, Denbighshire Local Health Board, Flintshire Local Health Board, Gwynedd Local Health Board and Wrexham Local Health Board into the new organisation.

The Health Board provides a full range of primary, community, mental health and acute hospital services to the population of North Wales from three main hospitals (Ysbyty Gwynedd in Bangor, Ysbyty Glan Clwyd in Bodelwyddan and Wrexham Maelor Hospital) along with a network of community hospitals, health centres, clinics, mental health units and community team bases. The Health Board also coordinates the work of GP practices and NHS services provided by dentists, opticians and pharmacists in North Wales.

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	395,671	388,380
Expenditure on healthcare from other providers	3.2	590,188	545,841
Expenditure on Hospital and Community Health Services	3.3	1,661,474	1,570,411
		2,647,333	2,504,632
Less: Miscellaneous Income	4	(189,082)	(176,531)
LHB net operating costs before interest and other gains and losses		2,458,251	2,328,101
Investment Revenue	5	0	0
Other (Gains) / Losses	6	(119)	(142)
Finance costs	7	478	477
Net operating costs for the financial year		2,458,610	2,328,436

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 78 form part of these accounts.

Other Comprehensive Net Expenditure

	2025-26 £000	2024-25 £000
Net (gain) / loss on revaluation of property, plant and equipment	(51,144)	(7,122)
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	(51,144)	(7,122)
Total comprehensive net expenditure for the year	2,407,466	2,321,314

The notes on pages 8 to 78 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	784,412	710,083
Right of Use Assets	11.3	27,614	30,135
Intangible assets	12	1,180	787
Trade and other receivables	15	185,290	119,692
Other financial assets	16	0	0
Total non-current assets		998,496	860,697
Current assets			
Inventories	14	21,680	20,500
Trade and other receivables	15	140,733	128,673
Other financial assets	16	0	0
Cash and cash equivalents	17	7,963	5,880
		170,376	155,053
Non-current assets classified as "Held for Sale"	11	0	545
Total current assets		170,376	155,598
Total assets		1,168,872	1,016,295
Current liabilities			
Trade and other payables	18	(245,223)	(232,319)
Other financial liabilities	19	0	0
Provisions	20	(49,586)	(53,897)
Total current liabilities		(294,809)	(286,216)
Net current assets/ (liabilities)		(124,433)	(130,618)
Non-current liabilities			
Trade and other payables	18	(21,217)	(23,876)
Other financial liabilities	19	0	0
Provisions	20	(185,786)	(120,860)
Total non-current liabilities		(207,003)	(144,736)
Total assets employed		667,060	585,343
Financed by :			
Taxpayers' equity			
General Fund		412,587	367,197
Revaluation reserve		254,473	218,146
Total taxpayers' equity		667,060	585,343

The financial statements on pages 2 to 7 were approved by the Board on 25th June 2026 and signed on its behalf by:

Chief Executive and Accountable Officer:



Date: 25th June 2026

The notes on pages 8 to 78 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	367,197	218,146	585,343
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	367,197	218,146	585,343
Net operating cost for the year	(2,458,610)		(2,458,610)
Net gain/(loss) on revaluation of property, plant and equipment	0	51,144	51,144
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	14,817	(14,817)	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 2025-26	(2,443,793)	36,327	(2,407,466)
Net Welsh Government funding	2,414,668		2,414,668
Notional Welsh Government Funding	74,515		74,515
Balance at 31 March 2026	412,587	254,473	667,060

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 £74,489,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £26,000

The Net gain/(loss) on revaluation of property, plant and equipment includes movements in the Revaluation Reserve relating to indexation, revaluations and reversals of impairments.

The transfer between reserves is made up of:

the release of accumulated revaluation reserve balances for assets that were disposed during 2025-26; and

the transfer of revaluation reserve balances arising from upward indexation or revaluations in 2025-26 that reversed impairments charged to the SoCNE in previous periods

The notes on pages 8 to 78 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	353,626	220,049	573,675
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	353,626	220,049	573,675
Net operating cost for the year	(2,328,436)		(2,328,436)
Net gain/(loss) on revaluation of property, plant and equipment	0	7,122	7,122
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	9,025	(9,025)	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	(2,319,411)	(1,903)	(2,321,314)
Net Welsh Government funding	2,263,333		2,263,333
Notional Welsh Government Funding	69,649		69,649
Balance at 31 March 2025	367,197	218,146	585,343

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 £69,636,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £13,000

Transfers between reserves relates to the reversal of prior period upward revaluations of non-current assets.

[The notes on pages 8 to 78 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		(2,458,610)	(2,328,436)
Movements in Working Capital	27	(68,033)	(33,687)
Other cash flow adjustments	28	203,094	174,611
Provisions utilised	20	(28,758)	(20,992)
Net cash outflow from operating activities		(2,352,307)	(2,208,504)
Cash Flows from investing activities			
Purchase of property, plant and equipment		(54,764)	(49,636)
Proceeds from disposal of property, plant and equipment		254	491
Purchase of intangible assets		(388)	(25)
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		(54,898)	(49,170)
Net cash inflow/(outflow) before financing		(2,407,205)	(2,257,674)
Cash Flows from financing activities			
Welsh Government funding (including capital)		2,414,668	2,263,333
Capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		(66)	(64)
Capital element of payments in respect of on-SoFP PFI		0	0
Capital element of payments in respect of Right of Use Assets		(5,314)	(4,742)
Cash transferred (to)/ from other NHS bodies		0	0
Net financing		2,409,288	2,258,527
Net increase/(decrease) in cash and cash equivalents		2,083	853
Cash and cash equivalents (and bank overdrafts) at 1 April 2025		5,880	5,027
Cash and cash equivalents (and bank overdrafts) at 31 March 2026		7,963	5,880

The notes on pages 8 to 78 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 and the Health Board does not routinely permit carry-over of annual leave between leave years for staff on Agenda for Change or Executive and Senior Management contracts.

For staff on Medical and Dental Contracts, where the leave year is not linked to the financial year, up to five days annual leave may be carried forward subject to an application and approval process.

In exceptional circumstances where a staff member has been expressly prevented from taking their annual leave entitlement because of service needs or due to taking another form of leave then carry-over of leave may be authorised.

In these circumstances the cost of leave earned but not taken by employees at the end of the financial period has been recognised as a liability in the 2025-26 financial statements.

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.

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 Betsi Cadwaladr University 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 Betsi Cadwaladr University 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 LHB has entered into pooled budget arrangements with local authorities across north Wales. Under these arrangements funds are pooled in accordance with Section 33 of the NHS (Wales) Act 2006 for specific activities as defined in Note 32 - Pooled budgets.

The LHB accounts for its share of the assets, liabilities, income and expenditure from these activities in accordance with each pooled budget's 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

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 and probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.25 Discount Rates

The LHB applies discount rates provided by H M Treasury's Public Expenditure System (PES) to provisions for post employment benefits reported in Note 20 Provisions on pages 58 and 59. The relevant discount rate for 2025-26 is 2.95% (2024-25 - 2.40%)

The impact of unwinding of discounts is reported in Note 7 Finance Costs on page 32.

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 1st April 2013, the LHB has established that as it is the corporate trustee of the linked charity "Betsi Cadwaladr University Health Board Charity and Other Related Charities", it is considered for accounting standards compliance to have control of the Charity as a subsidiary. It is therefore required to consolidate the results of the Charity within the statutory accounts of the LHB.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Charity or its independence in its management of charitable funds.

However, 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 Note 30 Related Party Transactions.

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 £000	2024-25 £000	2025-26 £000	Total £000
Net operating costs for the year	2,158,812	2,328,436	2,458,610	6,945,858
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,777	854	(130)	2,501
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	2,160,589	2,329,290	2,458,480	6,948,359
Revenue Resource Allocation	2,136,242	2,321,730	2,441,223	6,899,195
Under /(over) spend against Allocation	(24,347)	(7,560)	(17,257)	(49,164)

Betsi Cadwaladr University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2023-24 to 2025-26.

The Health Board received £17.400m cash-only support from Welsh Government during 2025-26 with the accumulated cash-only support as at 31st March 2026 being £194.094m. 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 £000	2024-25 £000	2025-26 £000	Total £000
	£000	£000	£000	£000
Gross capital expenditure	34,855	52,174	59,971	147,000
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	(897)	(135)	(1,032)
Adjustment for transfers (to)/from NHS Trusts	0	0	0	0
Less capital grants received	0	0	0	0
Less donations received	(566)	(962)	(797)	(2,325)
Less IFRS16 Peppercorn income	0	0	0	0
Less initial recognition of RoU Asset Dilapidations	0	0	0	0
Charge against Capital Resource Allocation	34,289	50,315	59,039	143,643
Capital Resource Allocation	34,483	50,664	59,104	144,251
(Over) / Underspend against Capital Resource Allocation	194	349	65	608

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

2.3 Duty to prepare a 3 year integrated plan

The Health Board's Integrated Medium-Term Plan (IMTP) for 2025-28 sets out a commitment to improve the health and wellbeing of the people of North Wales and to provide or secure high quality, effective and efficient healthcare services. The Plan, covering three years from 2025-26, builds on the work undertaken in recent years for the Health Board to become a highly effective organisation, committing to further build strong partnerships with other organisations and importantly with people and communities across the region.

There is a statutory duty for each Health Board in Wales to prepare and submit an IMTP to Welsh Government. The purpose of the IMTP is to provide a road map towards delivering improvements to population health needs, whilst also confirming plans for delivering financial break-even. The statutory duty to plan is set out in the NHS (Wales) Act 2006, which requires each Local Health Board to prepare a plan which sets out a strategy for improving the health of people for whom the Board is responsible and improving the provision of health care for those people. The NHS Finance (Wales) Act 2014 legislated for integrated planning as the bedrock of the health system in Wales and introduced the requirements for development of IMTPs to secure financial balance in respect of each three-year period.

The Health Board has been unable to seek approval of an IMTP in recent years due to being unable to produce a Three-Year Plan that meets all the qualifying requirements. However, the organisation has made significant steps towards delivery of an IMTP, and for 2025-28 was able to put forward a balanced plan. As required of an IMTP, this was structured against a three-year horizon, with a particular focus upon 2025-26.

Despite the submission of a balanced plan, the Cabinet Secretary did not approve the Health Board's IMTP 2025-28, on the basis that the plan fell short of the requirements of the NHS Wales Planning Framework. However Welsh Government acknowledged the significant progress made by the organisation, concluding that it provides a strong foundation for future submissions.

Therefore, in line 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, the organisation failed to meet its statutory duty to prepare an approved three-year integrated plan.

Whilst the Health Board submitted a balanced three-year integrated plan for the period 2025-2028 which meets Welsh Government expectations to achieve the statutory break-even duty over that period, the overspend for the first year of the plan was £17.257m. The Health Board is currently developing a Financial Recovery Plan to achieve a balanced position for the three-year reporting cycle ending March 2028.

The Minister for Health and Social Services extant approval

Status

Not Approved

Date

Not Applicable

[Betsi Cadwaladr University LHB has not therefore met its statutory duty to have an approved financial plan.](#)

2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2025-26	2024-25
Total number of non-NHS bills paid	377,221	395,093
Total number of non-NHS bills paid within target	365,387	377,799
Percentage of non-NHS bills paid within target	96.9%	95.6%

[The LHB has met the target.](#)

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2025-26 Total £000	2024-25 Total £000
General Medical Services	171,462		171,462	169,570
Pharmaceutical Services	39,975	(11,100)	28,875	29,062
General Dental Services	37,435		37,435	36,446
General Ophthalmic Services	4,667	11,230	15,897	14,173
Other Primary Health Care expenditure	5,938		5,938	6,787
Prescribed drugs and appliances	136,064		136,064	132,342
Total	395,541	130	395,671	388,380

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	72	72
Additional Primary Care Income	Negative	(2,495)	(1,930)
Overall total		393,248	386,522

Note 3.1 Expenditure on Primary Healthcare Services includes £39,275,000 expenditure in respect of pay costs (2024-25 £39,484,000).

Additional Primary Care expenditure of £72,000 relating to interest on obligations under Right of Use Leases is included in Note 7: Finance Costs (2024-25 £72,000). Additional Primary Care income of £2,495,000 is included in Note 4 Miscellaneous Income on page 31 (2024-25 £1,930,000).

3.2 Expenditure on healthcare from other providers

	2025-26 £000	2024-25 £000
Goods and services from other NHS Wales Health Boards	8,299	7,727
Goods and services from other NHS Wales Trusts	11,379	9,694
Goods and services from Welsh Special Health Authorities	0	0
Goods and services from other non Welsh NHS bodies	93,918	84,218
Goods and services from NHSW JCC	285,483	273,064
Local Authorities	0	0
Voluntary organisations	15,301	14,974
NHS Funded Nursing Care	11,204	10,091
Continuing Care	130,188	129,808
Private providers	34,416	16,265
Specific projects funded by the Welsh Government	0	0
Other	0	0
Total	590,188	545,841

3.3 Expenditure on Hospital and Community Health Services

	2025-26	2024-25
	£000	£000
Directors' costs	2,646	2,434
Operational Staff costs	1,216,650	1,140,157
Single lead employer Staff Trainee Cost	46,980	44,577
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	204,945	184,024
Supplies and services - general	52,318	63,523
Consultancy Services	643	1,087
Establishment	12,107	13,429
Transport	5,292	4,986
Premises	65,497	63,373
External Contractors	0	0
Depreciation	43,265	39,792
Depreciation Right of Use assets (RoU)	4,740	4,982
Amortisation	316	397
Fixed asset impairments and reversals (Property, plant & equipment)	(8,996)	(2,863)
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	572	508
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	8,855	4,516
Research and Development	372	329
Expense related to short-term leases	127	115
Expense related to low-value asset leases (excluding short-term leases)	887	1,053
Other operating expenses	4,258	3,992
Total	1,661,474	1,570,411

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	97,553	67,990
Primary care	969	1,600
Redress Secondary Care	423	215
Redress Primary Care	0	0
Personal injury	1,584	(753)
All other losses and special payments	6,365	894
Defence legal fees and other administrative costs	2,567	1,630
Gross increase/(decrease) in provision for future payments	109,461	71,576
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	(628)	(65)
Less: income received/due from Welsh Risk Pool	(99,978)	(66,995)
Total	8,855	4,516

	2025-26	2024-25
	£	£
Permanent injury included within personal injury £:	3,726	264,263

Fixed asset impairments and reversals (Property, plant & equipment) in Note 3.3 includes a credit of £17,789,000 (2024 -25 £3,002,000) in respect of the reversal of impairments charged to expenditure in previous periods. The value of impairment reversals is also reported in the Cost or valuation section of Note 11.1 Property, plant and equipment on page 41 of these accounts.

4. Miscellaneous Income

	2025-26 £000	2024-25 £000
Local Health Boards	6,257	6,054
NHSW Joint Commissioning Committee	56,890	54,400
NHS Wales trusts	9,812	8,806
Welsh Special Health Authorities	1,155	1,057
Foundation Trusts	1,230	853
Other NHS England bodies	22,647	20,327
Other NHS Bodies	237	204
Local authorities	15,778	13,750
Welsh Government	4,544	5,681
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	13	16
Dental fee income	4,093	4,186
Private patient income	463	545
Overseas patients (non-reciprocal)	223	184
Injury Costs Recovery (ICR) Scheme	1,118	1,153
Other income from activities	18,996	16,433
Patient transport services	0	0
Education, training and research	34,484	30,365
Charitable and other contributions to expenditure	2,020	2,019
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	0	0
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	348	260
NHS Wales Shared Services Partnership (NWSSP)	0	1
Deferred income released to revenue	138	180
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	324	305
Other income:		
Provision of laundry, pathology, payroll services	147	225
Accommodation and catering charges	4,867	4,626
Mortuary fees	389	346
Staff payments for use of cars	612	840
Business Unit	0	0
Scheme Pays Reimbursement Notional	7	45
Other	2,290	3,670
Total	189,082	176,531
Other income Includes;		
Staff recharges not included in other lines	947	988
Movement in Expected Credit Losses (ECLs) on invoiced income	(6)	285
Lease car handling charges income	55	429
VAT recovered income	0	225
Other	1,294	1,743
Total	2,290	3,670

Injury Cost Recovery (ICR) Scheme income

	2025-26 %	2024-25 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.62	24.45

Injury Cost Recovery (ICR) Scheme

Whilst Injury Cost Recovery (ICR) Scheme income is generally subject to a provision for impairment of 24.62% to reflect expected rates of collection, the Health Board has further increased the provision impairment rate on specific aged cases in order to reflect the additional risk of potential non-recovery.

Charitable and other contributions to expenditure of £2,020,000 during 2025-26 (2024-25 £2,019,000) includes £1,223,000 for revenue expenditure (2024-25 £1,057,000) and £797,000 for the purchase of items of capital expenditure (2024-25 £962,000).

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	119	142
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	119	142

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	354	380
Interest on obligations under PFI contracts;		
main finance cost	25	27
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	33	2
Other interest expense	0	0
Total interest expense	412	409
Provisions unwinding of discount	66	68
Other finance costs	0	0
Total	478	477

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31st March 2026 the Health Board had 2,151 lease agreements in place; 267 arrangements in respect of equipment and 1,884 in respect of vehicles with 36 equipment and 361 vehicle leases having expired during the year.

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

	2025-26	2025-26	2025-26	2024-25
	Low Value & Short Term	Other	Total	Total
Payments recognised as an expense				
	£000	£000	£000	£000
Minimum lease payments	10,850	0	10,850	7,477
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	10,850	0	10,850	7,477
Total future minimum lease payments				
Payable	£000	£000	£000	£000
Not later than one year	8,142	0	8,142	7,065
Between one and five years	5,212	0	5,212	6,204
After 5 years	0	0	0	0
Total	13,354	0	13,354	13,269

LHB as lessor

	2025-26	2024-25
Rental revenue	£000	£000
Rent	319	333
Contingent rents	0	0
Total revenue rental	319	333
Total future minimum lease payments		
Receivable	£000	£000
Not later than one year	317	333
Between one and five years	368	366
After 5 years	661	736
Total	1,346	1,435

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	913,483	3,054	15,853	36,369	0	25,587	994,346	956,157
Social security costs	115,583	0	0	5,083	0	2,452	123,118	94,447
Employer contributions to NHS Pension Scheme	182,934	0	0	5,528	0	0	188,462	176,243
Other pension costs	415	0	0	0	0	0	415	496
Other employment benefits	33	0	0	0	0	0	33	58
Termination benefits	7	0	0	0	0	0	7	12
Total	1,212,455	3,054	15,853	46,980	0	28,039	1,306,381	1,227,413

Charged to capital	814	620
Charged to revenue	1,305,567	1,226,793
	1,306,381	1,227,413
Net movement in accrued employee benefits (untaken staff leave)	154	(974)

The "Other" staff column includes temporary and contract staff such as short-term direct engagement contracts, IR35 applicable staff, Out of Hours GPs, GMS Locum Doctors and Agency Commissioning Cost. Social Security costs relating to these groups of staff for the 2025-26 financial year are included within the Other column of the above note.

Other employment benefits relate to the costs associated with the 2019-20 Scheme Pays arrangements. Potential future liabilities of the scheme increased during 2025-26 and this increase has been matched funded by Welsh Government.

The increase in accrued employee benefits as at 31st March 2026 relates to untaken annual leave entitlements. Information on the arrangements in place for staff to carry forward untaken annual leave is provided in Accounting Policy Note 1.4.1 Short-term employee benefits on page 9. Employee costs for 2025-26 include a reduction of £4.314m following the release of an accrual relating to untaken medical staff study leave.

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	3,605	7	6	0	0	0	3,618	3,623
Medical and dental	1,167	18	10	506	0	85	1,786	1,735
Nursing, midwifery registered	5,901	0	98	0	0	0	5,999	5,982
Professional, Scientific, and technical staff	797	6	2	0	0	0	805	781
Additional Clinical Services	3,876	2	0	0	0	0	3,878	3,921
Allied Health Professions	1,269	0	26	0	0	23	1,318	1,268
Healthcare Scientists	322	0	0	0	0	2	324	322
Estates and Ancillary	1,318	0	0	0	0	0	1,318	1,331
Students	27	0	0	0	0	0	27	15
Total	18,282	33	142	506	0	110	19,073	18,978

9.3. Retirements due to ill-health

	2025-26	2024-25
Number	14	29
Estimated additional pension costs £	612,009	2,697,246

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

Employee benefits refer to non-pay benefits which are not attributable to individual employees, for example group membership of a club. The Health Board does not operate any employee benefit schemes

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	70	71	0	60
£10,000 to £25,000	0	4	4	0	10
£25,000 to £50,000	0	1	1	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	1	1	1	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	1	76	77	1	70

	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	6,943	244,038	250,981	0	222,254
£10,000 to £25,000	0	52,521	52,521	0	178,848
£25,000 to £50,000	0	35,458	35,458	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	121,091	121,091	81,968	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	6,943	453,108	460,051	81,968	401,102

Total Exit Costs Paid in Year	Total paid in year	Total paid in year
	2025-26	2024-25
	£	£
Exit costs paid in year	468,348	357,347
Total	468,348	357,347

This disclosure reports the number and value of exit packages agreed and paid during the year. The actual date of departure may be in a subsequent period with the related expenses having been accrued in a previous year. Total exit costs reported as paid during 2025-26 were £386,380 (2024-25 £357,347).

Note 9.5.2 "Analysis of other departures" on page 36 details the categories of expenditure included as cost of other departures in Note 9.5.1.

In addition to the exit packages reported above the Health Board made two conciliation agreement (COT3) payments during 2025-26 following employment tribunals brought by an ex-employee and a short-term direct engagement contractor. The total cost of these payments was £139,333.

The Health Board pays all redundancy and other departure costs in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Additional costs relating to early retirements, including early retirements on grounds of redundancy for employees entitled to pension benefits, are met by the Health Board and not by the NHS Pension 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	2025-26
	Agreements	Total value of
Type of other departures	Number	agreements
		£
Voluntary redundancies including early retirement contractual costs	0	0
Contractual payments in lieu of notice	76	371,140
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring Welsh Government Approval	1	81,968
Other please specify	0	0
Total	77	453,108

This disclosure provides further detail for the number and value of "Other departures" agreed in the year and reported in Note 9.5.1 Exit Packages Costs and Numbers on page 35.

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 9.5.1 which will be the number of individuals.

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	000-000			000-000		
Highest paid Director Total pay and benefits range	000-000			000-000		
	2025-26 £ Chief	2025-26 £ Employee	2025-26 Ratio	2024-25 £ Chief	2024-25 £ Employee	2024-25 Ratio
Total pay and benefits mid-point	Executive	Employee	Ratio	Executive	Employee	Ratio
25th percentile pay ratio	272,500	28,466	9.57	262,500	27,207	9.74
Median pay	272,500	38,487	7.08	262,500	37,030	7.11
75th percentile pay ratio	272,500	50,153	5.43	262,500	47,397	5.60
Salary component of total pay and benefits						
25th percentile pay ratio	272,500	25,037		262,500	24,121	
Median pay	272,500	31,516		262,500	30,420	
75th percentile pay ratio	272,500	47,280		262,500	45,637	
	Highest Paid Director	Employee	Ratio	Highest Paid Director	Employee	Ratio
Total pay and benefits mid-point						
25th percentile pay ratio	272,500	28,466	9.57	262,500	27,207	9.74
Median pay	272,500	38,487	7.08	262,500	37,030	7.11
75th percentile pay ratio	272,500	50,153	5.43	262,500	47,397	5.60
Salary component of total pay and benefits						
25th percentile pay ratio	272,500	25,037		262,500	24,121	
Median pay	272,500	31,516		262,500	30,420	
75th percentile pay ratio	272,500	47,280		262,500	45,637	

In 2025-26, 18 (2024-25, 19) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £24,833k to £468,900k (2024-25, £23,970k to £460,400k).

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. The Chief Executive salary for the remuneration relationship is based on actual salary, consistent with the Remuneration Report.

Non-executive directors (NEDs) are outside the scope of fair pay disclosures and have been removed from the 2025-26 calculation.

Financial Year Summary

The Remuneration Relationship of the Chief Executive remained largely unchanged during 2025-26 with only minor movements across the various pay ratios. Remuneration Relationship ratios for the highest paid Director decreased during the year. The Chief Executive is the Highest Paid Director for 2025-26.

The median pay of the workforce increased by £1,000 (rounded) during the year (2024-25, £2,000).

Staff covered by the Agenda for Change agreement received an average 3.60% inflationary pay increase during 2025-26 (2024-25 5.5%). Medical Staff received an inflationary pay award of 5% (2024-25 6%).

9.6.2 Percentage Changes	2024-25 to 2025-26 %	2023-24 to 2024-25 %
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	4	4
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	4	(4)
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	4	6
Performance pay and bonuses	0	0

The highest paid director during 2025-26 was the Chief Executive.

The Health Board did not pay any performance pay or bonuses in 2025-26.

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 31st March 2026, is based on valuation data as at 31st March 2024, updated to 31st 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 31st March 2020. The results of this valuation set the employer contribution rate payable from 1st 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 31st 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 Number	2025-26 £000	2024-25 Number	2024-25 £000
NHS				
Total bills paid	5,879	485,916	5,051	460,350
Total bills paid within target	5,235	465,908	4,468	442,950
Percentage of bills paid within target	89.0%	95.9%	88.5%	96.2%
Non-NHS				
Total bills paid	377,221	1,223,937	395,093	923,864
Total bills paid within target	365,387	1,199,765	377,799	900,129
Percentage of bills paid within target	96.9%	98.0%	95.6%	97.4%
Total				
Total bills paid	383,100	1,709,853	400,144	1,384,214
Total bills paid within target	370,622	1,665,673	382,267	1,343,079
Percentage of bills paid within target	96.7%	97.4%	95.5%	97.0%

During 2025-26 the Health Board paid 96.9% of non-NHS invoices by number within 30 days (2024-25 95.6%) and therefore achieved the Welsh Government performance measure.

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	33,607	1,701
Compensation paid to cover debt recovery costs under this legislation	613	770
Total	34,220	2,471

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	48,701	596,807	22,940	42,259	129,332	989	35,498	6,198	882,724
Indexation	1,006	56,808	2,732	0	0	0	0	0	60,546
Additions									
- purchased	0	0	0	47,910	3,966	44	4,311	16	56,247
- donated	0	159	0	29	609	0	0	0	797
- 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	9,432	762	(16,442)	5,935	0	313	0	0
Revaluations	0	(8,150)	(354)	0	0	0	0	0	(8,504)
Reversal of impairments	532	17,146	111	0	0	0	0	0	17,789
Impairments	0	(8,232)	(561)	0	0	0	0	0	(8,793)
Reclassified as held for sale	410	18	0	0	0	0	0	0	428
Disposals	0	0	0	0	(2,401)	(83)	(215)	0	(2,699)
At 31 March 2026	50,649	663,988	25,630	73,756	137,441	950	39,907	6,214	998,535
Depreciation at 1 April 2025	0	64,579	2,492	0	79,530	585	20,832	4,623	172,641
Indexation	0	8,001	309	0	0	0	0	0	8,310
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	(7,354)	(58)	0	0	0	0	0	(7,412)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	18	0	0	0	0	0	0	18
Disposals	0	0	0	0	(2,401)	(83)	(215)	0	(2,699)
Provided during the year	0	25,276	960	0	11,743	102	4,628	556	43,265
At 31 March 2026	0	90,520	3,703	0	88,872	604	25,245	5,179	214,123
Net book value at 1 April 2025	48,701	532,228	20,448	42,259	49,802	404	14,666	1,575	710,083
Net book value at 31 March 2026	50,649	573,468	21,927	73,756	48,569	346	14,662	1,035	784,412
Net book value at 31 March 2026 comprises :									
Purchased	50,649	564,194	21,927	73,756	45,827	249	14,641	977	772,220
Donated	0	8,492	0	0	2,318	97	21	58	10,986
Government Granted	0	782	0	0	424	0	0	0	1,206
At 31 March 2026	50,649	573,468	21,927	73,756	48,569	346	14,662	1,035	784,412
Asset financing :									
Owned	50,649	572,401	21,927	73,756	48,569	346	14,662	1,035	783,345
On-SoFP PPP/PFI contracts	0	1,067	0	0	0	0	0	0	1,067
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2026	50,649	573,468	21,927	73,756	48,569	346	14,662	1,035	784,412

The net book value of land, buildings and dwellings at 31 March 2026 comprises :

	£000
Freehold	642,768
Long Leasehold	3,276
Short Leasehold	0
	646,044

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

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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 at 31 March bf	48,517	577,736	21,980	19,660	127,976	850	33,764	6,832	837,315
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2024	48,517	577,736	21,980	19,660	127,976	850	33,764	6,832	837,315
Indexation	335	7,660	379	0	0	0	0	0	8,374
Additions									
- purchased	0	0	0	35,474	6,607	50	7,520	67	49,718
- donated	0	236	0	0	622	89	0	0	947
- 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	9,345	564	(12,875)	2,924	0	42	0	0
Revaluations	251	(755)	0	0	0	0	0	0	(504)
Reversal of impairments	235	2,750	17	0	0	0	0	0	3,002
Impairments	(85)	(54)	0	0	0	0	0	0	(139)
Reclassified as held for sale	(197)	(111)	0	0	0	0	0	0	(308)
Disposals	(355)	0	0	0	(8,797)	0	(5,828)	(701)	(15,681)
At 31 March 2025	48,701	596,807	22,940	42,259	129,332	989	35,498	6,198	882,724
Depreciation at 31 March bf	0	41,768	1,631	0	76,739	485	22,209	4,706	147,538
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2024	0	41,768	1,631	0	76,739	485	22,209	4,706	147,538
Indexation	0	752	29	0	0	0	0	0	781
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	(33)	0	0	0	0	0	0	(33)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	(111)	0	0	0	0	0	0	(111)
Disposals	0	0	0	0	(8,797)	0	(5,828)	(701)	(15,326)
Provided during the year	0	22,203	832	0	11,588	100	4,451	618	39,792
At 31 March 2025	0	64,579	2,492	0	79,530	585	20,832	4,623	172,641
Net book value at 1 April 2024	48,517	535,968	20,349	19,660	51,237	365	11,555	2,126	689,777
Net book value at 31 March 2025	48,701	532,228	20,448	42,259	49,802	404	14,666	1,575	710,083
Net book value at 31 March 2025									
comprises :									
Purchased	48,701	523,955	20,448	42,259	46,636	288	14,638	1,459	698,384
Donated	0	7,548	0	0	2,516	116	28	116	10,324
Government Granted	0	725	0	0	650	0	0	0	1,375
At 31 March 2025	48,701	532,228	20,448	42,259	49,802	404	14,666	1,575	710,083
Asset financing :									
Owned	48,701	531,194	20,448	42,259	49,802	404	14,666	1,575	709,049
On-SoFP PPP/PFI contracts	0	1,034	0	0	0	0	0	0	1,034
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2025	48,701	532,228	20,448	42,259	49,802	404	14,666	1,575	710,083

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	598,309
Long Leasehold	3,068
Short Leasehold	0
	601,377

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

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11. Property, plant and equipment (continued)**Disclosures:****(i) Donated Assets**

Donated tangible asset additions during 2025-26 included schemes funded by:

- Betsi Cadwaladr University Health Board and Other Related Charities - £336,000
- Other hospital based voluntary bodies - £461,000

(ii) Valuations

The Health Board's 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 Health Board 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.

(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

Professional valuations were requested for three building assets as detailed in Note 13 Impairments on page 51

(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

The value of assets sold during the year in Note 11.2 Non-current Assets Held for Sale (£135,000) relates to Ruthin Health Centre, which was disposed in November 2025.

The remaining balance of £410,000 which is no longer classified as held for sale relates to Rossett Clinic which has been withdrawn from sale whilst options for disposal are being further considered.

The Health Board did not have any Assets Held for Sale as at 31st March 2026.

(viii) IFRS 13 Fair value measurement

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

11. Property, plant and equipment**11.2 Non-current assets held for sale**

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2025	545	0	0	0	0	545
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	(135)	0	0	0	0	(135)
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	(410)	0	0	0	0	(410)
Balance carried forward 31 March 2026	0	0	0	0	0	0
Balance brought forward 1 April 2024	348	0	0	0	0	348
Plus assets classified as held for sale in the year	545	0	0	0	0	545
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	(348)	0	0	0	0	(348)
Balance carried forward 31 March 2025	545	0	0	0	0	545

The Health Board did not have any non-current assets held for sale as at 31st March 2026.

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, eight are significant in their own right:

Buckley PCRC £1.641m, Caia Park Primary Care Resource Centre (PCRC) £1.672m, Llys Dyffig £2.772m, Tan Y Castell £1.469m, Rysseldene Surgery £1.062m, West Rhyll PCRC £1.077m, Cambrian & Berwyn House £1.190m, Surgical Robot Ysbyty Gwynedd £2.142m.

	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	981	0	29,916	0	8,333	2,125	1,512	0	42,867
Additions	0	0	880	0	897	442	0	0	2,219
Transfer 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	(330)	0	0	(1,043)	0	0	(1,373)
At 31 March 2026	981	0	30,466	0	9,230	1,524	1,512	0	43,713
Depreciation at 1 April 2025	56	0	7,831	0	2,475	1,309	1,061	0	12,732
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	(330)	0	0	(1,043)	0	0	(1,373)
Provided during the year	22	0	2,704	0	1,045	612	357	0	4,740
At 31 March 2026	78	0	10,205	0	3,520	878	1,418	0	16,099
Net book value at 1 April 2025	925	0	22,085	0	5,858	816	451	0	30,135
Net book value at 31 March 2026	903	0	20,261	0	5,710	646	94	0	27,614
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	352	0	2,004	0	0	0	0	0	2,356
Other Public Sector Market Value Leases	0	0	3,520	0	0	0	0	0	3,520
Private Sector Peppercorn Leases	551	0	15	0	0	0	0	0	566
Private Sector Market Value Leases	0	0	14,722	0	5,710	646	94	0	21,172
Total	903	0	20,261	0	5,710	646	94	0	27,614

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. Whilst most are individually insignificant, eight buildings with the following net book values as at 31st March 2025 are considered significant in their own right:

Llys Dyffig £2.804m, Caia Park Primary Care Resource Centre (PCRC) £1.845m, Buckley PCRC £1.823m, Tan Y Castell £1.485m, Cambrian & Berwyn House £1.222m, West Rhyl PCRC £1.182m, Rysseldene Surgery £1.165m, Renal Services £1.151m.

	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
2024-25									
Cost or valuation at 31 March 2024	981	0	30,096	0	9,125	2,159	1,512	0	43,873
	0	0	(575)	0	0	0	0	0	(575)
Cost or valuation at 1 April 2024	981	0	29,521	0	9,125	2,159	1,512	0	43,298
Additions	0	0	917	0	200	359	0	0	1,476
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	(83)	0	(451)	(8)	0	0	(542)
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	(439)	0	(541)	(385)	0	0	(1,365)
At 31 March 2025	981	0	29,916	0	8,333	2,125	1,512	0	42,867
Depreciation at 31 March 2024	34	0	6,059	0	1,938	956	703	0	9,690
	0	0	(575)	0	0	0	0	0	(575)
Depreciation at 1 April 2024	34	0	5,484	0	1,938	956	703	0	9,115
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	(439)	0	(541)	(385)	0	0	(1,365)
Provided during the year	22	0	2,786	0	1,078	738	358	0	4,982
At 31 March 2025	56	0	7,831	0	2,475	1,309	1,061	0	12,732
Net book value at 1 April 2024	947	0	24,037	0	7,187	1,203	809	0	34,183
Net book value at 31 March 2025	925	0	22,085	0	5,858	816	451	0	30,135
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	362	0	2,124	0	0	0	0	0	2,486
Other Public Sector Market Value Leases	0	0	3,412	0	0	0	0	0	3,412
Private Sector Peppercorn Leases	563	0	19	0	0	0	0	0	582
Private Sector Market Value Leases	0	0	16,530	0	5,858	816	451	0	23,655
Total	925	0	22,085	0	5,858	816	451	0	30,135

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	2,602	1,450	4,052	4,580
2-5 years	0	7,815	3,610	11,425	12,468
> 5 years	0	11,032	866	11,898	13,632
Less finance charges allocated to future periods	0	(2,710)	(268)	(2,978)	(3,188)
Total	0	18,739	5,658	24,397	27,492
Lease Liabilities (net of irrecoverable VAT)				2025-26	2024-25
Current				3,762	4,266
Non-Current				20,635	23,226
Total				24,397	27,492
Amounts Recognised in Statement of Comprehensive Net Expenditure				2025-26	2024-25
Depreciation				4,740	4,982
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				354	380
Sub-leasing income				0	0
Expense related to short-term leases				127	115
Expense related to low-value asset leases (excluding short-term leases)				887	1,053
Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)					
Interest expense				(354)	(380)
Repayments of principal on leases				(5,314)	(4,742)
Total				(5,668)	(5,122)

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	5,772	0	0	0	0	0	5,772
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	709	0	0	0	0	0	709
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	6,481	0	0	0	0	0	6,481
Amortisation at 1 April 2025	4,985	0	0	0	0	0	4,985
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	316	0	0	0	0	0	316
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	5,301	0	0	0	0	0	5,301
Net book value at 1 April 2025	787	0	0	0	0	0	787
Net book value at 31 March 2026	1,180	0	0	0	0	0	1,180
NBV at 31 March 2026							
Purchased	1,170	0	0	0	0	0	1,170
Donated	10	0	0	0	0	0	10
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2026	1,180	0	0	0	0	0	1,180

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	5,747	0	0	0	0	0	5,747
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	10	0	0	0	0	0	10
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	15	0	0	0	0	0	15
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	5,772	0	0	0	0	0	5,772
Amortisation at 1 April 2024	4,588	0	0	0	0	0	4,588
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	397	0	0	0	0	0	397
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	4,985	0	0	0	0	0	4,985
Net book value at 1 April 2024	1,159	0	0	0	0	0	1,159
Net book value at 31 March 2025	787	0	0	0	0	0	787
NBV at 31 March 2025							
Purchased	771	0	0	0	0	0	771
Donated	16	0	0	0	0	0	16
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2025	787	0	0	0	0	0	787

Additional Disclosures re Intangible Assets**Disclosures:****(i) Donated Assets**

The Health Board 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

Intangible additions of £709,000 during 2025-26 related to the purchase of software assets

(v) Disposals during the period

There were no disposals of intangible assets during the year.

(vi) Transfers into other NHS Bodies

The Health Board 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	2,857	0	0	0	0	2,857
Others (Desktop exercise)	5,936	0	0	0	0	5,936
Reversal of Impairments	(17,789)	0	0	0	0	(17,789)
Total of all impairments	(8,996)	0	0	0	0	(8,996)

Analysis of impairments charged to reserves in year :

Impairments charged to the Statement of Comprehensive Net Expenditure	(8,996)	0	0	0	0	(8,996)
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	(29,155)	0	0	0	0	(29,155)
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	(38,151)	0	0	0	0	(38,151)

	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	139	0	0	0	0	139
Others (specify)	0	0	0	0	0	0
Reversal of Impairments	(3,002)	0	0	0	0	(3,002)
Total of all impairments	(2,863)	0	0	0	0	(2,863)

Analysis of impairments charged to reserves in year :

Impairments charged to the Statement of Comprehensive Net Expenditure	(2,863)	0	0	0	0	(2,863)
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	(2,863)	0	0	0	0	(2,863)

Impairments charged to the Statement of Comprehensive Net Expenditure during 2024-25 were conducted by the District Valuer in accordance with the requirements of IFRS.

Analysis of impairments during 2025-26

£'000

Impairments in Note 3.3 - Expenditure on Hospital and Community Health Services

Impairments from normal operations (desktop exercise)	5,936
Impairment on revaluation of Ysbyty Glan Clwyd Staff Residences Block	555
Impairment on revaluation of Ysbyty Gwynedd Pathology	1,507
Impairment on revaluation of Ysbyty Gwynedd Fire Compartmentation	795
Reversal of impairments previously charged to revaluation of Ysbyty Gwynedd Fire Compartmentation	(15)
Reversal of impairments previously charged to SoCNE due to 3.1579% increase in indexation on land	(532)
Reversal of impairments previously charged to SoCNE due to 12.3894% increase in indexation on buildings and dwellings	(17,242)
	(8,996)

Impairment in Revaluation Reserve

Reversal of impairments previously charged to Revaluation Reserve	(29,155)
Total impairments	(38,151)

14.1 Inventories

	31 March	31 March
	2026	2025
	£000	£000
Drugs	10,359	9,996
Consumables	10,586	10,145
Energy	647	328
Work in progress	0	0
Other	88	31
Total	21,680	20,500
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

Note 14.2 relates to NHS organisations that purchase inventories for resale as part of their normal activities and does not apply to the Health Board.

15. Trade and other Receivables

Current	31 March 2026 £000	31 March 2025 £000
Welsh Government	1,941	2,615
NHSW JCC Joint Commissioning Committee	1,004	1,891
Welsh Health Boards	588	745
Welsh NHS Trusts	6,707	4,835
Welsh Special Health Authorities	1,119	641
Non - Welsh Trusts	0	0
Other NHS	2,721	1,684
2019-20 Scheme Pays - Welsh Government Reimbursement	50	23
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	94,775	87,849
NHS Wales Primary Sector FLS Reimbursement	258	133
NHS Wales Redress	330	440
Other	0	0
Local Authorities	13,457	10,783
Other receivables	9,917	9,999
Provision for irrecoverable debts	(1,433)	(2,065)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	8,098	7,867
Other accrued income	1,201	1,233
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	140,733	128,673
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	1,210	1,230
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	181,741	116,573
NHS Wales Primary Sector FLS Reimbursement	295	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Other receivables	0	0
Provision for irrecoverable debts	(670)	(634)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	318	300
Other accrued income	2,396	2,223
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	185,290	119,692
Total	326,023	248,365

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

The value of trade receivables that are past their payment date but not impaired is £4.203m (£4.341m in 2024-25).

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	1,190	1,789
By three to six months	737	641
By more than six months	2,276	1,911
	4,203	4,341

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

Balance at 1 April	(2,699)	(2,969)
Transfer to other NHS Wales body	0	0
Amount written off during the year	205	149
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	391	121
Bad debts recovered during year	0	0
Balance at 31 March	(2,103)	(2,699)

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	1,951	1,621
Other	0	0
Total	1,951	1,621

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	5,880	5,027
Net change in cash and cash equivalent balances	2,083	853
Balance at 31 March	7,963	5,880
Made up of:		
Cash held at GBS	7,888	5,838
Commercial banks	0	0
Cash in hand	75	42
Cash and cash equivalents as in Statement of Financial Position	7,963	5,880
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in Statement of Cash Flows	7,963	5,880

The cash and cash equivalents balance as at 31st March 2026 comprised funding for revenue expenditure of £2,507,000 (2024-25 £3,023,000) and funding for capital projects of £5,456,000 (2024-25 £2,857,000)

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

Lease Liabilities (ROUA) £5.314m
Lease Liabilities (short-term and low value leases) £0m
PFI liabilities: £0.066m

The movement relates to cash, no comparative information is required by IAS 7 in 2025-26.

18. Trade and other payables

Current	31 March 2026 £000	31 March 2025 £000
Welsh Government	181	43
NHSW Joint Commissioning Committee	12,063	6,384
Welsh Health Boards	501	882
Welsh NHS Trusts	3,863	5,390
Welsh Special Health Authorities	29	66
Other NHS	24,607	24,978
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	1,359	1,006
NI contributions payable to HMRC	13,974	11,154
Non-NHS payables - Revenue	57,031	51,458
Local Authorities	29,212	38,025
Overdraft	0	0
Rentals due under operating leases	0	0
Pensions: staff	0	0
Non NHS Accruals	99,217	91,737
Deferred Income:		
Deferred Income brought forward	3,426	2,065
Deferred Income Additions	220	1,541
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(138)	(180)
Other creditors	(366)	839
Payments on account	(12,656)	(13,670)
Impact of IFRS 16 on SoFP PFI contracts	0	0
Right of Use asset payables	3,762	4,266
Capital asset payables		
Tangibles - Payables	8,549	6,269
Intangibles - Payables	321	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	68	66
PFI assets – deferred credits	0	0
Capital Payments on account	0	0
Sub Total	245,223	232,319
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	20,635	23,226
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	582	650
PFI assets – deferred credits	0	0
Capital Payments on account	0	0
Sub Total	21,217	23,876
Total	266,440	256,195

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

The LHB aims to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	31 March	31 March
	2026	2025
	£000	£000
Between one and two years	3,450	3,576
Between two and five years	7,596	8,414
In five years or more	10,171	11,886
Sub-total	21,217	23,876

19. Other financial liabilities

Financial liabilities	Current		Non-current	
	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	0	0	0	0

20. Provisions

	At 1 April 2025	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2026
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:-									
Secondary care	44,401	(14,087)	(8,373)	26,324	31,997	(19,542)	(23,431)	0	37,289
Primary care	1,539	0	0	(182)	813	(98)	(11)	0	2,061
Redress Secondary care	186	0	(71)	0	463	(296)	(40)	0	242
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	583	0	0	(2)	1,642	(676)	(106)	0	1,441
All other losses and special payments	140	0	(5,161)	0	6,366	(1,244)	(1)	0	100
Defence legal fees and other administration	1,953	0	0	792	2,619	(1,502)	(1,113)		2,749
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	165			(12)	0	0	0	0	153
2019-20 Scheme Pays - Reimbursement	23			53	0	(26)	0	0	50
Restructuring	0			0	0	0	0	0	0
Other	4,907		0	0	4,010	(790)	(2,626)	0	5,501
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	53,897	(14,087)	(13,605)	26,973	47,910	(24,174)	(27,328)	0	49,586

Non Current

Clinical negligence:-									
Secondary care	115,618	0	(8,101)	(26,324)	98,304	(3,447)	4,770	0	180,820
Primary care	0	0	0	182	198	(98)	(31)	0	251
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,220	0	0	2	139	(371)	(91)	62	1,961
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,785	0	0	(792)	1,217	(512)	(156)		1,542
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	9			12	149	(156)	(14)	4	4
2019-20 Scheme Pays - Reimbursement	1,228			(53)	33	0	0	0	1,208
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	120,860	0	(8,101)	(26,973)	100,040	(4,584)	4,478	66	185,786

TOTAL

Clinical negligence:-									
Secondary care	160,019	(14,087)	(16,474)	0	130,301	(22,989)	(18,661)	0	218,109
Primary care	1,539	0	0	0	1,011	(196)	(42)	0	2,312
Redress Secondary care	186	0	(71)	0	463	(296)	(40)	0	242
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,803	0	0	0	1,781	(1,047)	(197)	62	3,402
All other losses and special payments	140	0	(5,161)	0	6,366	(1,244)	(1)	0	100
Defence legal fees and other administration	3,738	0	0	0	3,836	(2,014)	(1,269)		4,291
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	174			0	149	(156)	(14)	4	157
2019-20 Scheme Pays - Reimbursement	1,251			0	33	(26)	0	0	1,258
Restructuring	0			0	0	0	0	0	0
Other	4,907		0	0	4,010	(790)	(2,626)	0	5,501
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	174,757	(14,087)	(21,706)	0	147,950	(28,758)	(22,850)	66	235,372

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	37,289	180,820	0	218,109
Primary care	2,061	251	0	2,312
Redress Secondary care	242	0	0	242
Redress Primary care	0	0	0	0
Personal injury	1,441	937	1,024	3,402
All other losses and special payments	100	0	0	100
Defence legal fees and other administration	2,749	1,542	0	4,291
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	153	4	0	157
2019-20 Scheme Pays - Reimbursement	50	1,208	0	1,258
Restructuring	0	0	0	0
Other	5,501	0	0	5,501
Capital provisions				
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Total	49,586	184,762	1,024	235,372

Provisions included with the "Other" categories above relate to:

	£'000
Continuing Healthcare claims subject to further review	4,587
Onerous contract provision (Radiology Informatics System Programme)	151
Staff regrading appeals and pay arrears	184
Final Pay Control provisions for retired staff	143
Other legal costs	284
Relocation expenses	109
GP managed practices premises costs	43
Total	5,501

The provision for Continuing Healthcare claims is based on estimates from the claims which have been processed up to the balance sheet date. This is subject to a significant degree of sensitivity and is dependent on the percentage of claims which are deemed eligible along with the average settlement rate.

The expected timing of cashflows is based on best available information for each individual provision as at 31st March 2026 and may be subject to changes in future periods.

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
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:-									
Secondary care	36,672	(1,507)	(1,831)	4,036	26,540	(14,198)	(5,311)	0	44,401
Primary care	77	0	0	0	1,615	(138)	(15)	0	1,539
Redress Secondary care	269	0	(43)	0	341	(255)	(126)	0	186
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	1,700	0	0	22	304	(122)	(1,321)	0	583
All other losses and special payments	260	0	(408)	0	1,009	(606)	(115)	0	140
Defence legal fees and other administration	1,819	0	0	253	1,710	(1,046)	(783)		1,953
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	161			4	0	0	0	0	165
2019-20 Scheme Pays - Reimbursement	8			28	0	(13)	0	0	23
Restructuring	0			0	0	0	0	0	0
Other	6,088		241	0	1,761	(653)	(2,530)	0	4,907
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	47,054	(1,507)	(2,041)	4,343	33,280	(17,031)	(10,201)	0	53,897
Non Current									
Clinical negligence:-									
Secondary care	80,640	0	(6,250)	(4,036)	66,008	(3,004)	(17,740)	0	115,618
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,264	0	0	(22)	264	(350)	0	64	2,220
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,777	0	0	(253)	1,076	(442)	(373)		1,785
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	20			(4)	154	(165)	0	4	9
2019-20 Scheme Pays - Reimbursement	1,198			(28)	58	0	0	0	1,228
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	85,899	0	(6,250)	(4,343)	67,560	(3,961)	(18,113)	68	120,860
TOTAL									
Clinical negligence:-									
Secondary care	117,312	(1,507)	(8,081)	0	92,548	(17,202)	(23,051)	0	160,019
Primary care	77	0	0	0	1,615	(138)	(15)	0	1,539
Redress Secondary care	269	0	(43)	0	341	(255)	(126)	0	186
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	3,964	0	0	0	568	(472)	(1,321)	64	2,803
All other losses and special payments	260	0	(408)	0	1,009	(606)	(115)	0	140
Defence legal fees and other administration	3,596	0	0	0	2,786	(1,488)	(1,156)		3,738
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	181			0	154	(165)	0	4	174
2019-20 Scheme Pays - Reimbursement	1,206			0	58	(13)	0	0	1,251
Restructuring	0			0	0	0	0	0	0
Other	6,088		241	0	1,761	(653)	(2,530)	0	4,907
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	132,953	(1,507)	(8,291)	0	100,840	(20,992)	(28,314)	68	174,757

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	141,658	146,611
Primary care	3,150	2,638
Redress Secondary care	2	0
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	3,166	3,644
Continuing Health Care costs	0	0
Other	0	0
Total value of disputed claims	147,976	152,893
Less amounts recoverable in the event of claims being successful	(144,337)	(149,464)
Net contingent liability	3,639	3,429

In accordance with IAS37, the Health Board is required to disclose details of claims made against it where the financial liability, if any, cannot yet be determined. The contingent liabilities included in Note 21.1 for 2025-26 relate to legal claims for alleged negligence (net of amounts recoverable from the Welsh Risk Pool in the event of claims being successful).

The Health Board has received invoices in relation to historic transactions for provision of care within the local community. The Health Board sought legal representation and on this advice disputes liability and consequently any obligation to remit funds to these third parties. The Audit Committee members remain briefed on this matter, with the values non-material to the production of the Annual Accounts in which this note is contained.

21.2 Remote Contingent liabilities

	2025-26	2024-25
	£000	£000
Guarantees	0	0
Indemnities	0	12,224
Letters of Comfort	0	0
Total	0	12,224

The Health Board did not have any remote contingent liabilities as at 31st March 2026.

The balance for 2024-25 related to 6 claims and in the event of these claims being successful £12,061,000 would have been recoverable from the Welsh Risk Pool.

21.3 Contingent assets

	2025-26	2024-25
	£000	£000
The Health Board did not hold any contingent assets at the balance sheet date	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	7,764	9,189
Right of Use Assets	0	0
Intangible assets	0	0
Total	7,764	9,189

Note 22 includes capital commitments relating to the following All Wales funded schemes as at 31st March 2026:

- Regional Orthopaedic Hub - Llandudno Hospital
- Electrical Infrastructure upgrade - Ysbyty Glan Clwyd
- Replacement Diagnostic and Treatment Equipment - Phase 1 & 2
- Targeted Estates Funding

Commitments in respect of discretionary capital schemes are not included in the note

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are reorded 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	148	29,809,765
Primary Care	6	197,428
Redress Secondary Care	56	331,849
Redress Primary Care	0	0
Personal injury	44	1,047,013
All other losses and special payments	510	1,175,085
Total	764	32,561,139

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	SSPLR135123	5,428,178	6,850,000
Clinical Negligence	SSPLR115965	1,598,104	2,751,104
Clinical Negligence	SSPLR119475	425,000	2,887,856
Clinical Negligence	SSPLR143148	662,715	2,628,229
Clinical Negligence	SSPLR140459	7,736,037	8,853,824
Clinical Negligence	SSPLR145961	336,611	336,611
Clinical Negligence	SSPLR149405	690,204	1,024,429
Clinical Negligence	SSPLR147239	1,275,000	1,461,121
Clinical Negligence	SSPLR144922	763,647	763,647
Clinical Negligence	SSPLR153188	505,834	530,834
Clinical Negligence	SSPLR147456	1,262,178	1,262,178
Clinical Negligence	SSPLR147606	454,906	454,906
Sub-total	12	21,138,413	29,804,739
All other cases paid in year	752	11,422,726	19,724,312
Total cases paid in year	764	32,561,139	49,529,051

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	349	16,571,995
Cumulative amount greater than £300k	42	54,359,081
Total	391	70,931,076

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	2,602	1,450	4,052
Between one and five years	0	7,815	3,610	11,425
After five years	0	11,032	866	11,898
Less finance charges allocated to future periods	0	(2,710)	(268)	(2,978)
Minimum lease payments	0	18,739	5,658	24,397
Included in:				
Current borrowings	0	2,406	1,356	3,762
Non-current borrowings	0	16,333	4,302	20,635
	0	18,739	5,658	24,397
Present value of minimum lease payments				
Within one year	0	2,406	1,356	3,762
Between one and five years	0	7,301	3,450	10,751
After five years	0	9,032	852	9,884
Present value of minimum lease payments	0	18,739	5,658	24,397
Included in:				
Current borrowings	0	2,406	1,356	3,762
Non-current borrowings	0	16,333	4,302	20,635
	0	18,739	5,658	24,397

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	2,552	2,028	4,580
Between one and five years	0	8,503	3,965	12,468
After five years	0	12,171	1,461	13,632
Less finance charges allocated to future periods	0	(2,840)	(348)	(3,188)
Minimum lease payments	0	20,386	7,106	27,492
Included in:				
Current borrowings	0	2,349	1,917	4,266
Non-current borrowings	0	18,037	5,189	23,226
	0	20,386	7,106	27,492
Present value of minimum lease payments				
Within one year	0	2,349	1,917	4,266
Between one and five years	0	7,948	3,756	11,704
After five years	0	10,089	1,433	11,522
Present value of minimum lease payments	0	20,386	7,106	27,492
Included in:				
Current borrowings	0	2,349	1,917	4,266
Non-current borrowings	0	18,037	5,189	23,226
	0	20,386	7,106	27,492

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>
	<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>
	<u>0</u>	<u>0</u>

25. Private Finance Initiative contracts**25.1 PFI schemes off-Statement of Financial Position**

The Health Board did not have any PFI Schemes that were deemed to be off-statement of financial position at the balance sheet date.

Commitments under off-SoFP PFI contracts	Off-SoFP PFI contracts	Off-SoFP PFI contracts
	31 March 2026 £000	31 March 2025 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	0	0
Total estimated capital value of off-SoFP PFI contracts	0	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11	£000
	1
Contract start date:	01/09/2004
Contract end date:	01/09/2034

The Conwy & Denbighshire NHS Trust (a legacy organisation of the Health Board) contracted with Fresenius Medical Care to build and equip a Renal Diabetic Unit at Glan Clwyd Hospital under PFI contract arrangements. Whilst Fresenius continue to have defined responsibilities for the maintenance of the Unit, the Health Board is responsible for the delivery of all clinical care and other support costs.

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 £000	31 March 2026 £000	31 March 2026 £000	31 March 2026 £000
Total payments due within one year	68	0	22	541
Total payments due between 1 and 5 years	296	0	65	2,359
Total payments due thereafter	286	0	23	2,754
Total future payments in relation to PFI contracts	650	0	110	5,654

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 £000	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000
Total payments due within one year	66	0	25	522
Total payments due between 1 and 5 years	286	0	75	2,275
Total payments due thereafter	364	0	35	3,366
Total future payments in relation to PFI contracts	716	0	135	6,163

	31/03/2026 £000
Total present value of obligations for on-SoFP PFI contracts	5,585

25.3 Charges to expenditure

	2025-26	2024-25
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	523	504
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	523	504

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	523	504
Total	523	504

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	1	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	(1,180)	436
(Increase)/decrease in trade and other receivables - non-current	(65,598)	(35,096)
(Increase)/decrease in trade and other receivables - current	(12,060)	(20,971)
Increase/(decrease) in trade and other payables - non-current	(2,659)	(3,582)
Increase/(decrease) in trade and other payables - current	12,904	22,677
Total	(68,593)	(36,536)
Adjustment for accrual movements in fixed assets - creditors	(2,535)	(965)
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	3,095	3,814
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	0	0
	(68,033)	(33,687)

28. Other cash flow adjustments

	2025-26 £000	2024-25 £000
Depreciation	48,005	44,774
Amortisation	316	397
(Gains)/Loss on Disposal	(119)	(142)
Impairments and reversals	(8,996)	(2,863)
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	0	0
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	0	0
Non-cash movements in provisions	89,373	62,796
Other movements	74,515	69,649
Total	203,094	174,611

Other movements of £74,515,000 (2024-25 £69,649,000) 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

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 26th June 2026; post the date the financial statements were certified by the Auditor General for Wales.

Subsequent to the reporting date, the Health Board received confirmation from the Welsh Government of changes to remuneration rates for NHS Wales public appointees, approved prior to 31st March 2026 and effective from 1st January 2026.

The value of changes relating to 2025-26 has been determined as £3,000 and the Health Board has not amended the financial statements for these entries; the financial impact will be recognised in 2026-27 once arrears relating to the previous financial year have been paid.

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:

Health Bodies and Welsh Government	2025-26		As at 31st March 2026	
	Expenditure with related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government (Excludes 2019-20 Sceme Pays Reimbursement)	240	2,424,018	181	1,941
Aneurin Bevan University LHB	25	110	2	17
Cardiff & Vale University LHB	1,567	375	68	86
Cwm Taf Morgannwg University LHB	412	75	63	18
Hywel Dda University LHB	6,457	334	224	45
Powys Teaching LHB	565	4,940	49	381
Swansea Bay University LHB	556	599	95	41
Digital Health and Care Wales (DHCW)	11,781	1,163	29	8
Health Education and Improvement Wales (HEIW)	45	27,491	0	1,111
Public Health Wales NHS Trust	7,098	6,924	105	342
Velindre NHS Trust (includes capital expenditure)	74,566	11,352	3,543	6,281
Welsh Ambulance Services University NHS Trust	2,055	400	215	84
Welsh Risk Pool	0	0	0	277,399
NHS Wales Joint Commissioning Committee (NWJCC)	285,589	56,887	12,063	1,004
Total	390,956	2,534,668	16,637	288,758

Other Organisations	2025-26		As at 31st March 2026	
	Expenditure with related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Conwy County Borough Council (includes capital expenditure)	14,294	5,443	3,502	1,247
Denbighshire County Council (includes capital expenditure)	13,168	2,468	5,300	3,181
Flintshire County Council	18,487	4,184	7,392	2,866
Gwynedd County Council (includes capital expenditure)	14,577	2,756	4,359	1,581
Isle of Anglesey Council	7,792	1,737	5,130	1,103
Wrexham County Borough Council	11,657	1,942	3,479	3,479
Other Welsh Local Authorities (Including Police & Crime Commissioners, Fire Authorities and Welsh National Parks)	812	578	50	0
Total	80,787	19,108	29,212	13,457

Charitable Funds

The Health Board is corporate trustee of the Betsi Cadwaladr University Health Board Charity and Other Related Charities (registered charity number 1138976). All voting members of the Health Board can act as corporate trustees of the charity. Operational responsibility for the administration of the charity is delegated to a Charitable Funds Committee.

The Health Board received revenue and capital grants totalling £1,559,000 from the charitable fund during the year (2024-25 £1,544,000).

30. Related Party Transactions

A number of Health Board's Members had interests with related parties during the year, as detailed below:

Name	Position Held	Nature of Related Party Interest
R Caldicott	Executive Director of Finance	Liaison Group Strategic Advisor
D Eytayo	Executive Director of Workforce and Organisational Development	Trustee of Health People Management Association
K Balmer	Independent Member	Chief Executive Officer, Groundwork North Wales (Refurbs Flint and Wild Ground, Wrexham)
C Budden	Independent Member	Chief Executive and Board Member Clwyd Alyn Housing Association
C Lothian-Field	Independent Member	Partner is Assistant Director of Human Resources, Mersey and West Lancashire Teaching Hospitals NHS Trust
Cllr D Jones	Independent Member	Elected member of Isle of Anglesey County Council. Portfolio holder for Children, Young People and Families Services
Sir P Lambert	Independent Member	Trustee (Council Member) of Bangor University
Prof M Larvin	Independent Member	Professor, Vice-Provost and Head of the College of Medicine and Health, Bangor University
P Lewis	Associate Board Member	Group director of Resources at Cartrefi Conwy
F Roberts	Associate Board Member	Director of Social Services and Head of Children Services, Isle of Anglesey County Council

The total value of transactions and balances between the Health Board and these related parties during 2025-26, unless already reported on pages 70, was as follows:

Organisation Name	2025-26		As at 31st March 2026	
	Expenditure with related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Bangor University	542	705	337	182
Cartrefi Conwy	7	0	0	0
Clwyd Alyn Housing Association	1,023	11	62	10
Groundwork North Wales	1	0	1	0
Health People Management Association	2	0	0	0
Liaison Group	63	0	2	0
Mersey and West Lancashire Teaching Hospitals NHS Trust	1,557	257	216	(4)

The Health Board did not have financial transactions with any other organisation recorded as a Declaration of Interest by Board Members during 2025-26 and considered to be a related party.

31. Third Party assets

As at 31st March 2026, the Health Board held £165,863 cash at bank and in hand on behalf of third parties (31st March 2025 £150,659) comprising:

	2025-26	2024-25
	£	£
Monies held on behalf of patients - savings accounts	91,161	91,048
Monies held on behalf of patients - current accounts and cash in hand	64,572	48,711
Deposits for staff residential accommodation	10,130	10,900
	165,863	150,659

These balances have been excluded from the Cash and Cash Equivalents figure reported in Note 17 of these Accounts.

The Health Board also holds a quantity of consignment stock that remains the property of suppliers until it is used and is therefore considered as a third party asset. The value of consignment stock as at 31st March 2026 was £3,836,437 (31st March 2025 £4,392,118).

32. Pooled budgets

The Health Board has entered into four pooled budget arrangements which are governed by the NHS (Wales) Act 2006:

- North East Wales Community Equipment Service - hosted by Flintshire County Council
- Bryn-y-Neuadd Community Equipment Store - hosted by Betsi Cadwaladr University Local Health Board
- Denbighshire Community Equipment Service - hosted by Denbighshire County Council
- North Wales Older People Accommodation Pooled Budget - hosted by Denbighshire County Council

The financial arrangements for each of these four agreements are subject to partner organisations normal annual auditing requirements with each host body being responsible for the audit of the accounts of individual arrangements in accordance with their statutory audit requirements.

Memorandum notes on pages 76-78 of these accounts provide details of the joint income and expenditure transactions for each of these arrangements.

The Health and Social Care Regional Integration Fund (RIF)

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

Key features and values of the Fund include:

- A strong focus on prevention and early intervention
- Developing and embedding national models of integrated care
- Actively sharing learning across Wales through Communities of Practice
- Sustainable long term resourcing to embed and mainstream new models of care
- Creation of long term pooled fund arrangements
- Consistent investment in regional planning and partnership infrastructure

The RIF is a key lever to drive change and transformation across the health and social care system and in doing so will directly support implementation of several key pieces of policy and legislation.

Regional Partnership Boards (RPBs) facilitate the partnership arrangements made between a Local Health Board and one or more Local Authorities. The objectives of a RPB are set out in Regulation 10 of the Partnership Regulations and are to ensure that the partnership bodies work effectively and to ensure that the partnership bodies provide sufficient resources for the partnership arrangements. In addition to health and social care partners RPB membership includes representatives from housing, education, the third sector, providers, citizens and carer representatives to take forward the effective delivery of integrated services in Wales. Their purpose is to improve the outcomes and well-being of people with care and support needs, and carers who need support. RPBs work as a partnership to strategically plan, manage and develop effective care and support services required to best meet the needs of their respective populations.

Total RIF funding allocated through the North Wales Regional Partnership Board for 2025-26 was £32.9m (2024-25 £32.8m) of revenue funding plus RIF capital grant funding of £2.9m (2024-25 £2.7m). These funding flows are managed through the Health Board's Statement of Comprehensive Net Expenditure and reported in Note 3.3 Expenditure on Hospital and Community Health Services and Note 4 Miscellaneous Income.

33. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity:

1. That engages in activities from which it may earn revenue and incur expenses (including internally);
2. Whose operating results are regularly reviewed by the Chief Operating Decision Maker to make decisions about resource allocation to the segment and assesses its performance;
3. For which discrete information is available.

The Health Board operates as three Integrated Health Communities (IHCs), each led by an accountable Director, with Mental Health and Learning Disabilities, Women's Services, Cancer Services and Diagnostic and Clinical Support Services operating as pan-North Wales functions.

Four of the Health Board's functions met the criteria to be reported as separate operating segments under the accounting standard during 2025-26 (expenditure 10% or more of total operating costs). Information on divisions which did not exceed the reporting thresholds has also been disclosed in order to provide a complete overview of the Health Board's activities during the year.

	2025-26 £'000	2024-25 £'000
<i>Integrated Health Communities</i>		
West Integrated Health Community *	385,441	368,497
Central Integrated Health Community *	495,023	475,348
East Integrated Health Community *	506,728	488,983
	1,387,192	1,332,828
Midwifery and Womens Services	55,209	50,518
Mental Health and Learning Disabilities	203,905	195,540
Commissioning Contracts *	341,825	305,690
Integrated Clinical Delivery Primary Care	40,693	46,384
Integrated Clinical Delivery Regional Services	146,263	133,320
Service Support Functions	179,585	165,853
	967,480	897,305
Other Budgets	29,319	29,521
Staff employer pension contributions notional expenditure (See Note 34.1)	74,489	69,636
Operating costs sub-total	2,458,480	2,329,290
Revenue Resource Limit	2,441,223	2,321,730
Under/(over) spend against Revenue Resource Limit	(17,257)	(7,560)

* Operating segments which meet the standard criteria for reporting as per par 1.490 of the Welsh Government Manual for Accounts 2025-26.

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	2,231	2,151
Expenditure on healthcare from other providers	0	0
Expenditure on Hospital and Community Health Services	72,258	67,485

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

Net operating cost for the year	74,489	69,636
Notional Welsh Government Funding	74,489	69,636

Statement of Cash Flows for year ended 31 March 2026

Net operating cost for the financial year	74,489	69,636
Other cash flow adjustments	74,489	69,636

2.1 Revenue Resource Performance

Revenue Resource Allocation	74,489	69,636
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3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

General Medical Services	1,934	1,833
Pharmaceutical Services	20	18
General Dental Services	82	65
Other Primary Health Care expenditure	195	235

3.2 Expenditure on healthcare from other providers

	0	0
	0	0

3.3 Expenditure on Hospital and Community Health Services

Directors' costs	150	103
Staff costs	72,108	67,382

9.1 Employee costs

Permanent Staff

Employer contributions to NHS Pension Scheme	74,489	69,636
Charged to capital	0	0
Charged to revenue	74,489	69,636

18. Trade and other payables

Current

Pensions: staff	0	0
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28. Other cash flow adjustments

Other movements	74,489	69,636
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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

Other

34.3 Pooled Budgets

North East Wales Community Equipment Service Memorandum Accounts 2025-26

The North East Wales Pool is hosted by Flintshire County Council and the formal partnership agreement commenced on 8th July 2009. A memorandum of account has been produced by Flintshire County Council, as shown below:

	2025-26	2024-25
	£ 000	£ 000
Pooled Budget contributions		
Flintshire County Council	341	333
Wrexham County Borough Council	322	314
Betsi Cadwaladr University Local Health Board	499	482
Other	183	198
Total Pooled Budget contributions for the year	1,345	1,327
Expenditure		
Staff Costs	551	499
Equipment Purchases	629	417
Operating Expenditure	95	229
Total Expenditure for the year	1,275	1,145
Net Surplus/(Deficit) on the Pooled Budget for the Year	70	182

Bryn-y-Neuadd Community Equipment Store Memorandum Accounts 2025-26

The Bryn-y-Neuadd Community Equipment Store Pool is hosted by Betsi Cadwaladr University Local Health Board in partnership with Ynys Môn Council, Conwy County Borough Council and Gwynedd County Council. A memorandum account for the pooled budget arrangement is provided below.

	2025-26	2024-25
	£ 000	£ 000
Contributions		
Ynys Môn County Council	226	156
Conwy County Council	266	183
Gwynedd County Council	315	204
Betsi Cadwaladr University Local Health Board	760	497
Special Orders	121	90
Total Pooled Budget Contributions	1,688	1,130
Expenditure		
Operating Expenses	1,181	936
Equipment Purchases (incl. Special Orders)	746	556
Total Expenditure	1,927	1,492
Net Surplus/(Deficit) on the Pooled Budget for year	(239)	(362)
Cumulative Net Surplus/(Deficit) on the Pooled Budget	(1,306)	(1,067)

Other

34.3 Pooled Budgets

Denbighshire Community Equipment Service pooled budget

The Denbighshire Community Equipment Service pooled budget is hosted by Denbighshire County Council. The initial three-year partnership agreement commenced on 1st April 2009 and ended on 31st March 2012 with a further agreement running between 2012 and 2015. For 2015-16 onwards it was agreed to revert to one-year agreements.

The objective of the pooled budget arrangement is to provide health and daily living equipment on loan to people with an assessed need to enable their personal safety, independence, rehabilitation and mobility. This arrangement maximises the effectiveness of local arrangements for the delivery of an integrated Health and Social Care Equipment Services by incorporating certain services in the Health Board's NHS Health Care function and the Council's Health Related Social Care function.

The Health Board's contribution to the pooled budget in 2025-26 was £406,000 (2024-25 £378,000).

A memorandum account for 2025-26 has been prepared by Denbighshire County Council as host organisation of the arrangement.

Denbighshire Community Equipment Service pooled budget memorandum account

	2025-26	2024-25
		Restated
	£ 000	£ 000
Pooled budget contributions		
Denbighshire County Council: Core Contribution	229	262
Denbighshire County Council : Bed Service	26	23
Betsi Cadwaladr University Local Health Board: Core Contribution	303	221
Betsi Cadwaladr University Local Health Board: Bed Service	103	92
Betsi Cadwaladr University Local Health Board Other including HEC and CHC	0	65
Other - Regional Integration Fund (RIF) Contribution from slippage	53	0
In-year contribution from reserve to fund specific items	9	0
Total Pooled Budget contributions for the year	723	663
Expenditure		
Equipment Purchases Core	138	144
Operating Expenditure	585	519
Total Expenditure for the year	723	663
Balance on Community Equipment Service Reserve at 1st April	19	16
Net Surplus/(Deficit) on the Pooled Budget for the Year	0	0
Transfer to/(from) Reserves	(9)	3
Balance on Community Equipment Service Reserve at 31st March	10	19

Other

34.3 Pooled Budgets

North Wales Older People Accommodation pooled budget

Under regulation 19(1) of the Partnership Arrangements (Wales) Regulations 2015, an informal pooled budget arrangement has been agreed between North Wales local authorities and the Health Board in relation to the provision of care home accommodation for older people. These arrangements came into effect on 1st April 2019, with Denbighshire County Council acting as host authority.

Denbighshire County Council advised during 2023-24 that cash transfers to the pooled budget were to be suspended following expiry of the partnership agreement and that memorandum statements would be prepared based on notional contributions to the arrangement. These notional contributions are reported for information purposes only and not accrued in partner organisation's accounts.

As a new partnership agreement had still not been established during 2025-26 none of the partner organisations made cash transfers to the pooled budget during the year. The Health Board has, however, continued to work with local authorities in the same way as if the pooled budget arrangements had remained in place with notional contributions for 2025-26 being £56,873,000 (2024-25 £53,875,000).

As these are interim arrangements pending reinstatement of a formal agreement Denbighshire County Council has prepared a draft memorandum account for 2025-26 based on notional contributions from each partner organisation.

	2025-26	2024-25
	£ 000	£ 000
Contributions		
Denbighshire County Council	13,600	12,423
Conwy County Borough Council	19,835	18,090
Flintshire County Council	17,767	14,980
Wrexham County Borough Council	15,975	16,470
Gwynedd Council	15,282	13,084
Isle of Anglesey County Council	8,320	7,126
Betsi Cadwaladr University Local Health Board	56,873	53,874
Total Pooled Budget Contributions	147,652	136,047
Expenditure		
Care Home Costs	147,652	136,047
Total Expenditure for the year	147,652	136,047
Net Surplus/(Deficit) on the Pooled Budget for the Year	0	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.