

Structured Assessment 2025

Public Health Wales NHS Trust

December 2025

About us

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Audit snapshot

What we looked at

- 1 We looked at how well Public Health Wales NHS Trust (the Trust) is governed and whether it makes the best use of its resources. We looked at four areas in particular:
 - how well its 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.
- 2 We also looked at the Trust's progress in implementing recommendations from our previous structured assessment reports.

Why this is important

- 3 NHS bodies continue to face a wide range of challenges associated with the need to modernise and transform services to deal with constrained finances, growing demand, treatment backlogs, workforce shortages, and an ageing estate. It is therefore more important than ever for the boards of NHS bodies to have strong corporate and financial governance arrangements in place. This helps provide assurance to themselves, the public, and key stakeholders that they are taking the right steps to deliver safe, high-quality services and to use public money wisely.

What we have found

- 4 The Trust has good corporate governance arrangements that enable the Board and its committees to run effectively and transparently. High-quality information continues to support scrutiny. There is a continued commitment to hear from staff and service users with continuing improvements arrangements to support this.
- 5 The Trust is continuing to strengthen its corporate systems of assurance related to risk, performance, and tracking recommendations.
- 6 The Trust has a sound corporate approach to developing and monitoring the delivery of Integrated Medium-Term Plans (IMTPs). The Trust's route maps provide a useful tool for linking strategic priorities to short-, medium-, and long-term actions, ensuring delivery milestones contribute to the long-term goals. The Trust is strengthening its approach to demonstrating impacts of delivering its plans.
- 7 The Trust met its financial duties in 2024-25 and is forecasting to break even in 2025-26. Financial planning is strong and supports delivery of its strategic priorities. The Trust continues to have good financial controls in place, and good arrangements to monitor and report its financial position.

What we recommend

- 8 We have made no new recommendations.

Key facts and figures

Under the Welsh Government's escalation and intervention arrangements, the Trust is at Level 1 – routine arrangements.

The Trust has an approved Integrated Medium-Term Plan for 2025-26.

The Trust met its financial duty to break even on its revenue spend over the three-year period 2022-25, reporting a cumulative surplus of £331,000 for 2022-25. It surpassed its planned savings for the year, achieving £2.8 million against a plan of £2.4 million

The Trust is forecasting to break even and achieve its planned savings in 2025-26 of £2.6 million.

The Trust has fully implemented five outstanding recommendations since our last structured assessment report. One recommendation remains in progress.

Our findings

Board effectiveness and openness

The Board and its committees continue to work transparently and effectively, supported by good information and with a strong commitment to continuous improvement.

Public openness of board business

- 9 The Board maintains a strong commitment to conducting its business transparently:
 - Board meeting dates are published on the website in advance, and meetings are livestreamed;
 - recordings of Board meetings are made available on the Trust's website shortly after each meeting;
 - Board and committee papers are published online five days before meetings; and
 - unconfirmed minutes of Board and committee meetings are posted shortly after meetings and replaced with confirmed versions following approval at the next meeting.
- 10 The Trust provides Welsh language translation for in-person attendees at Board meetings. However, simultaneous translation is not currently available for remote viewers.
- 11 In line with its Protocol for Matters Discussed in Private, the Trust reserves private Board and committee sessions for confidential or sensitive matters only. A summary of these discussions is included in the Chair's Update Report at the next Board meeting.

- 12 The Trust keeps Chairs Actions¹ to a minimum and ensures they are shared in report form at the next meeting. Where it is necessary to share information with Board members between meetings via briefings, a summary is noted in the next Chair's Update to Board.
- 13 We previously highlighted the absence of the month 12 financial report from Board meeting agendas. This year, the Trust included the report in the May 2025 Board meeting, following the financial year-end. Its inclusion enabled the opportunity for discussion on the year-end financial position and associated reflection and learning.

Supporting effective board conduct

- 14 The Trust maintains up-to-date and approved Standing Orders, Scheme of Delegation, and Standing Financial Instructions, all of which are reviewed regularly. The Audit and Corporate Governance Committee (ACGC) ensures that key governance controls are in place and followed. Current versions of the Standing Orders and Standing Financial Instructions are published on the Trust's website.
- 15 Internal reports² and our audit of accounts work over the past year show routine compliance with key control frameworks. The ACGC receives biannual updates on compliance with Welsh Health Circulars, declarations of interest, and gifts and hospitality. The gifts and hospitality register is publicly available on the Trust's website. We also saw chairs consistently take declarations of interest at the start of Board and committee meetings.

¹ Decisions made between meetings, usually urgent decisions that cannot wait for the next meeting.

² Routine ACGC reports on procurement, losses and special payments, counter fraud and registers of interest, gifts, and hospitality.

- 16 The Integrated Performance Report provides policy status updates at each Board meeting, while committees receive biannual updates on their assigned policies. In August 2025, 21 of 137 policies were out-of-date; seven were in consultation or awaiting approval, and many others were all-Wales policies pending national updates. The Welsh Government has confirmed that all out-of-date national policies are still extant. Our review of the Trust's website found that the latest versions of policies are accessible.
- 17 Our Improving Quality Governance Report 2025, reported that the Trust currently reviews compliance with new or updated quality policies reactively, typically following policy breaches. We recommended the Trust adopt a systematic, organisation-wide approach to proactively test policy compliance and awareness.

Board and committee meeting effectiveness

- 18 There have been no significant changes to the committee structure or their remits since our previous structured assessment. Each committee's Terms of Reference are reviewed and approved annually.
- 19 Last year we suggested the Trust considers reviewing the timing of committee meetings in relation to Board meetings. This year, changes to the scheduling of ACGC, Knowledge, Research, and Information Committee (KRIC), (People and Organisational Development Committee (PODC) and Quality, Safety, and Improvement Committee (QSIC) meetings have:
- eliminated large gaps between some meetings;
 - reduced instances where committee Chairs provide verbal committee updates to the Board; and
 - reduced the variation in timeliness of quarterly and biannual reports to committees.

- 20 Workplans are in place for the Board and committees, ensuring responsibilities are discharged in a structured manner. At the start of the year, the Trust held a workshop to agree and schedule core business and ad hoc deep dives. Workplans remain indicative and are updated as needed to address emerging challenges, such as relating to strategic and operational risks. Changes are clearly highlighted in workplans shared at each meeting.
- 21 Following a successful QSIC pilot, the Trust has implemented revised arrangements across all committees. Before meetings, the committee chairs and executive lead meet to agree the agenda and confirm any changes to the workplan. Additional pre-meetings and the new Committee Chair's Brief ensure that committee chairs provide clarity on each agenda item's purpose, and the ask of the committee.
- 22 Since our previous structured assessment, changes to the Non-Executive Director cohort have led to new chairing arrangements for Board and committee meetings. Interim arrangements were in place for QSIC between April and July 2025. In July, following a review, the Trust agreed revised committee chair and membership changes. While the Board and most committees have new Chairs, meetings continue to be well-chaired, supported by targeted assistance where needed.
- 23 The Board and committees conduct their business in line with the Trust's etiquette policy, updated in May 2025, which sets out expected values and behaviours for members.
- 24 Despite Non-Executive Director vacancies, meetings have still been quorate, with strong scrutiny, support, and challenge seen in Board and committee meetings. A committee effectiveness review noted improvements but highlighted the need for greater clarity on committee roles and focus areas. To address this, the Trust is considering a handbook outlining committee purposes and additional Board development.

- 25 There are effective arrangements to provide assurance and escalate risks between committees and the Board. The Composite Committee Report³ provides a clear summary of discussions and referrals. Workplans identify cross-cutting agenda items, and the Board Business Unit coordinates referrals. Bi-monthly meetings of committee Chairs further strengthen information sharing.

Quality and timeliness of Board information

- 26 The Board continues to receive timely, clear information that supports effective decision making, scrutiny, and challenge. The Trust generally uses cover reports consistently for Board and committee papers. However, some slide-sets do not include an accompanying cover report. While these slide-sets state their purpose, the Trust should consider adding cover reports to improve transparency for the public. A cover report would highlight key issues in the presentation and current and/or proposed actions to address them.
- 27 Last year, the Trust piloted pre-committee arrangements to improve QSIC papers and the flow of meetings. As well as the Committee Chair's Brief (**paragraph 21**), a guide was introduced to help assess paper quality before meetings. These arrangements significantly improved the clarity and focus of papers, and thus the Trust rolled it out to other committees before the pilot concluded.
- 28 The most recent committee effectiveness review highlighted that further improvements would be beneficial, including clearer articulation of paper purpose and better coverage of issues, risks, and impacts on staff and service users. To address this, the Board Business Unit is:
- developing a standard agenda paper template to improve consistency and layout;
 - adapting templates for the specific needs of the KRIC;

³ The Composite Committee Report provides a summary to the Board of key matters considered and related decisions made by each committee since the previous Board meeting.

- considering a colour-coded pre-cover report for Board papers to aid members who download full agendas as a single document; and
- exploring what further support may be beneficial for report writers.

29 Where possible, the Trust combines related items into single reports to optimise time and strengthen triangulation of information. For example, governance items have been merged, and committee highlight reports to the Board are presented as a single agenda item.

30 The Trust continues to make effective use of interactive tools, including the Performance Assurance Dashboard and Public Health Dashboard. The Performance and Insight Report provides a clear snapshot of organisational performance using infographics.

31 The Governance Hub, designed as a central resource for authors of Board and committee papers, aims to ensure that authors have considered:

- Equality Impact Assessments;
- legislation compliance;
- information governance requirements; and
- financial requirements/implications.

32 The Governance Hub pilot ran from late 2024 to March 2025, following extensive preparatory work on templates and processes. Evaluation showed the need for further development to meet directorate-specific requirements and funding for dedicated roles. Despite these challenges, the pilot generated valuable learning, which is already improving the quality of papers.

Hearing from staff and service users

- 33 At the end of 2024 and early 2025, the Trust conducted an equality, diversity, and inclusion survey to understand staff experiences relating to disabilities, neurodiversity, caring responsibilities, and reasonable adjustments. Based on the findings, the Trust developed an action plan to address the issues that arose in the survey. Later in 2025, the Trust will undertake a culture pulse survey and is creating a roadmap to enhance employee experience, focusing on well-being, flexible working, and career development opportunities.
- 34 PODC meetings routinely consider staff engagement, with findings from engagement activities presented to the committee. The Local Partnership Forum also provide regular updates. In July 2025, PODC received assurance on actions taken to address findings from the NHS Staff Survey 2024.
- 35 Staff representatives continue to attend Board and committee meetings. The Board also receives periodic updates from the Trust's seven staff network groups⁴ each of which has an executive sponsor and opportunities to provide direct feedback. The Trust intends to further increase engagement opportunities in 2026.
- 36 Many executive Board members regularly meet staff across the organisation. The Board is exploring opportunities to hold meetings and development sessions in different locations to enable Non-Executive Directors to engage directly with staff. For example, the Trust held the September Annual General Meeting in Southwest Wales, allowing members to tour laboratory facilities.
- 37 Our Improving Quality Governance Report 2025 noted strong progress in gathering and acting on feedback from service users, stakeholders, and partners. Improvements include:

⁴ The staff network groups are Carers', Disability, LGBTQ+, Men's, Neurodiversity, Women's, Race and Ethnicity, and Welsh Language.

- implementing wide-ranging mechanisms to capture and act on feedback from service users, communities, and stakeholders;
- developing a centralised framework to support the capture, triangulation of feedback and coordination of actions arising from that feedback; and
- creating a central engagement function to complement engagement activities across the directorates.

38 These initiatives aim to establish a consistent approach supported by a guiding framework and toolkit. Work to improve the engagement framework should enable the Board to receive feedback more routinely from partners, on their experience of services and information provided by the Trust.

39 The Board has set up mechanisms to hear from service users and the wider population. QSIC receives the quarterly Quality Governance Report, which includes complaints, concerns, and service user experience. The Performance and Insight Report considered by the Board also include these aspects. The Trust's Time to Talk Public Health Panel, forming 2,500 residents across Wales, meets monthly to share views on various topics. Insights from these meetings and surveys inform public health policy and Board business. However, our 2025 Improving Governance Report recommended that the Trust more explicitly report changes made in response to service user feedback to improve transparency.

40 The Trust is considering opportunities for Non-Executive Directors to gain first-hand experience of frontline services, such as screening programmes. In doing so, this will provide opportunity to hear directly from staff and service users. The Board recognises the importance of bringing staff and service user stories to meetings and aims to do so in a meaningful way that supports triangulation with assurance information.

Board cohesion and continuous improvement

- 41 Since our previous structured assessment, there has been one change to the Executive Team. An Interim Executive Director of Operations and Finance has been in post since April 2025 due to an outward secondment. The Board continues to demonstrate strength, with a diverse portfolio of skills and experience.
- 42 There have been changes in the Non-Executive Director cohort since our previous report. The Trust appointed a new Board Chair in December 2024, and a new Non-Executive Director joined in summer 2025. One Non-Executive Director, who chaired a committee, left in March 2025. At the time of fieldwork, one Non-Executive Director vacancy remained, with recruitment underway. The Trust has managed these changes effectively, maintaining quoracy and providing development and support as appropriate.
- 43 Over the past year, the Board has kept a strong focus on high performance and continuous improvement. Committee effectiveness is reviewed annually, and enhancements are continuously sought and implemented. Committee Chairs routinely seek feedback at the end of meetings, and the Chair and Board Secretary reflect on Board performance after each meeting. The Board Business Unit has delivered a range of development opportunities throughout the year. Additionally, the Non-Executive Director Peer Group meets bi-monthly, attended by all Non-Executive Directors and Board Business Unit members.

Providing board assurance

The Trust continues to strengthen its corporate systems of assurance, with good oversight and scrutiny of risks and performance provided by the Board and its committees

Managing strategic and operational risks

- 44 The Trust reviewed its Board Assurance Framework in spring 2025, with approval granted at the May Board meeting. Changes were minimal. However, as noted in previous structured assessments, the Board Assurance Framework describes corporate governance arrangements. Usually, a Board Assurance Framework is as a key document for recording and reporting strategic objectives, risks, controls, and assurances to the Board.
- 45 Early in 2025, the Trust reviewed its strategic risks alongside the development of route maps (see **paragraph 64**) and the 2025–28 Integrated Medium-Term Plan (IMTP). Further refinement by the Business Executive Team and the Board during a February development session resulted in:
- three existing risks merged into one redefined risk;
 - three existing risks redefined; and
 - two new risks identified.
- 46 The revised strategic risks now concentrate on the most critical threats to achieving strategic goals. They focus on areas within the Trust’s control and those it can influence within the wider health system to deliver intended outcomes.

- 47 The Trust's Strategic Risk Register is what we would consider to be a traditional Board Assurance Framework. In July 2025, the Board received a revised Strategic Risk Register template populated with the six new strategic risks. For each risk, the Trust has mapped existing controls and gaps in assurance to potential causes. Where gaps exist, actions to close the gap are summarised and the responsible executive, due date, and progress update provided.
- 48 Previous structured assessments highlighted opportunities to improve articulation of assurance sources using the three lines of defence model⁵. This is still an area for development, as current and planned assurances continue to largely rely on operational controls and management oversight. The Trust plans further work in 2025 to expand assurance sources and clearly align them to the three lines of defence.
- 49 The Board reviews the Strategic Risk Register three times a year, with summary reports highlighting changes in controls and progress on closing assurance gaps. Strategic risks are allocated across committees for oversight and scrutiny. Committees provide robust monitoring of controls and assurance sources, and progress to address gaps. For the most significant strategic risk, failure to manage climate change impacts on the Welsh population, the Trust has committed to ongoing review at each Board meeting.
- 50 Unlike other NHS bodies, the Trust delegates the Corporate Risk Register to the Leadership Team, which sits below the Business Executive Team. Most NHS bodies assign Corporate Risk Register ownership to the Board, with the Operational Risk Register under the responsibility of the executive team. However, the Trust now ensures the Business Executive Team considers the Corporate Risk Register before it is presented to the Board and its committees. This arrangement ensures that there is effective ownership of corporate risks at both the executive level and the next tier below.

⁵ The three lines of defence model enables sources of assurance to be categorised, increasing the independence and objectivity of assurance at the third level.

- 51 The Board reviews the Corporate Risk Register twice annually (May and November), while committees receive it at each meeting for ongoing oversight.
- 52 Last year we reported that the Trust had not included SMART⁶ actions to mitigate risks in the Corporate Risk Register. Since November 2024, the CRR includes summaries of existing controls, planned actions to achieve target risk scores, due dates, and progress updates. All risk registers have been combined into a single system on DATIX following a comprehensive review.
- 53 The ACGC maintains strong oversight of risk management arrangements. In 2025, the Trust revised its Risk Management Policy and procedures. Following extensive collaboration and co-production with Board members and key stakeholders, the Trust has developed a hybrid framework for the organisation that allows a risk appetite threshold to be applied to each strategic risk. This approach enables the Board and staff to understand and apply risk appetite consistently across all areas. Collectively, these changes promote consistency and provide tools to inform decision-making aligned with long-term ambitions.

Managing performance

- 54 We found that the Trust continues to have good and improving performance management arrangements, with the Board providing effective oversight and scrutiny of performance. The Board receives clear, accessible, and meaningful data on key performance indicators across the breadth of the Trust's business.

⁶ Specific, measurable, achievable, relevant, and time bound.

- 55 The Performance and Insight Report continues to evolve. In addition to the existing three sections (governance and accountability, service delivery, strategy delivery), it now includes an additional section on strategic priority outcome measures (see **paragraph 70**). The report provides assurance to the Board where there are challenges in performance and the actions set out to address underperformance and drive improvement. It also provides insight on other key areas such as workforce and recruitment diversity, equality and inclusion, and the gender pay gap.
- 56 There is a refreshed Public Health Outcomes Framework for Wales⁷, which provides trend charts on the wider determinants of health, such as the social, economic, and environmental factors that influence health, well-being, and inequality. At each of its meetings, the Board also receives the Public Health Rapid Overview Dashboard, reporting the same information but updated on a more regular basis.
- 57 The Board receives the Performance and Insight Report, Public Health Rapid Overview Dashboard and Public Health Dashboard at every meeting. Board members also have access to an interactive Performance Assurance Dashboard with supporting data visualisations, trend information, and more detailed visual analysis on a full suite of performance indicators. The Board continues to provide effective oversight and scrutiny of the Trust's performance.
- 58 The Trust continues to have effective performance management arrangements. Directorate and Divisional Assurance Dashboards are well established and continue to support performance management arrangements at an operational level. Performance information with cover reports continue to keep the Board updated with improvements to the arrangements.

⁷ An interactive tool available on the Trust's website.

Monitoring quality and safety

- 59 We considered the Trust's corporate approach to overseeing and scrutinising the quality and safety of services in our [Improving Quality Governance Report 2025](#).

Tracking and monitoring recommendations

- 60 Arrangements for tracking audit recommendations and providing assurance to the ACGC remain robust. The ACGC receives the internal and external audit log to monitor progress against recommendations. Operational oversight of the log is delegated by Business Executive Team to the Leadership Team, which reviews it quarterly and reports to the ACGC at each meeting.
- 61 Supporting information provides the Leadership Team's decisions to close completed actions and approve extensions to implementation dates, with reasons for any delays clearly documented. The log offers the Board and committee members comprehensive updates on progress and includes summaries of Leadership Team discussions on open recommendations where more insight is helpful. Other committees also receive the audit log to note progress on recommendations relevant to their areas of responsibility.
- 62 Last year, we said that whilst the Trust had a central log to track progress against clinical audit recommendations, the information was collated manually. There was no process for automating the central tracking of clinical audit or other types of quality recommendations, as the relevant directorates hold the required information. In our [Improving Quality Governance Report 2025](#), we reported that the Trust procured AMaT (Audit Management Tool) in 2024-25, and it is currently rolling the tool out which is due to be fully functional by 31 March 2026. The Trust has made interim improvements to tracking clinical audit actions via Microsoft Planner. This provides a basic but effective way to check the progress of actions at divisional level and provide six-monthly updates to the Business Executive Team and QSIC.

Preparing strategies and plans

The Trust has a sound approach to developing and monitoring the delivery of Integrated Medium-Term Plans, and is demonstrating the impact of its corporate strategies and plans

Producing key strategies and plans

- 63 As noted in our 2023 Structured Assessment, the Trust's long-term strategy sets out a vision for achieving a healthier future for Wales by 2035 through six strategic priorities.
- 64 During 2024–25, the Trust produced route maps for each of its six strategic priorities with the aim of achieving the goal of increasing healthy life expectancy and reducing health inequalities by 2035. These internal planning tools link strategic priorities to short-, medium-, and long-term actions, ensuring delivery milestones contribute to the long-term goals. There is also a seventh Route Map that focuses on supporting activities like planning, public engagement, and partnerships with organisations at local, national, and international levels.
- 65 Collectively, the route maps set out the actions that need to be taken over the lifetime of the long-term strategy. This approach enables the Trust to assess if it is on track to deliver its long-term aims and see if adjustments are needed. In addition, it helps staff to see their role in keeping delivery on track. The development of the route maps was informed by extensive engagement with staff, the Board, partners, and stakeholders.

- 66 The Trust continues to have sound arrangements for developing and producing its IMTP. The route maps informed the IMTP. IMTP development included a review of progress against previous IMTP delivery priorities. Development involved close collaboration with Finance, People and Organisational Development Teams, lead directors, and oversight by Business Executive Team. Cross-organisational workshops reviewed the draft plan, tested feasibility, alignment to the route maps, and key internal and external dependencies. The Board contributed to plan development through briefing sessions and formally approved the IMTP in March 2025.
- 67 The Trust also updated its People Strategy in 2024-25, aligning delivery timescales to the long-term strategy and the route maps. The People Strategy addresses current and anticipated workforce challenges over the lifespan of the long-term strategy. Development included engagement with staff, Trade Unions, and Staff Networks, and incorporated feedback from staff surveys and other workforce intelligence.

Board assurance on partnership working

- 68 The Trust works effectively with other organisations through local, national, and international collaborations, partnerships, and networks. At the local level, it partners with health boards, local government, and third sector groups to identify local health needs and promote public health. Nationally, it works with UK bodies, while internationally it engages in knowledge-sharing and joint projects with global partners to improve health outcomes. This partnership approach is central to its strategy improving health and well-being of the Welsh population by addressing broader determinants of health.

Monitoring delivery of strategies/plans

- 69 When it launched its long-term strategy in 2024, the Trust set a vision to improve health and well-being and reduce health inequalities in Wales. Two overarching outcome measures were established, both focused on improving healthy life expectancy at birth.

- 70 The IMTP 2025-28 sets out 51 delivery priorities, each aligned to one of the Trust's six strategic priorities or enabling activity to support delivery⁸. These priorities are supported by 419 deliverable actions, with 229 scheduled for 2025–26 and the rest phased over the following two years. Each action includes defined milestones to ensure the Trust can track progress effectively.
- 71 Alongside the route map development, the Trust developed strategic priority outcome measures, each linked to a route map and corresponding strategic priority. These measures focus on the population health outcomes the Trust aims to influence. The refreshed Public Health Outcomes Framework, supported by the updated Rapid Overview Dashboard, report on performance against the strategic priority outcome measures⁹. The Trust's performance indicators monitor delivery efficiency and effectiveness.
- 72 The Trust has robust systems for tracking IMTP delivery:
- Business Executive Team oversees IMTP delivery priorities, with each assigned to an executive lead;
 - the Board and committees scrutinise delivery progress through monthly reporting via the Performance Assurance Dashboard;
 - the Performance and Insight Report provides high-level progress updates against delivery milestones and identifies delivery risks; and
 - Directorate and Divisional Assurance Dashboards support operational oversight.
- 73 These arrangements enable the Board to monitor progress effectively. Broader monitoring of other plans and strategies continues through relevant committees. The strategic priority outcome measures offer the opportunity to monitor impact achievement.

⁸ Enabling activity covers digital, behavioural science partnerships, developing the workforce, and structures for a continuously improving organisation.

⁹ Later in 2025, the Trust plans to develop additional outcome measures for its strategic priorities, focusing on the public health impacts of climate change and actions to influence the wider determinants of health.

Managing finances

The Trust continues to have a sound approach to managing its financial resources

Meeting financial objectives and duties

- 74 The Trust met its financial duties to break even for the financial year 2024-25, with a revenue and capital surplus of £195,000 and £113,000¹⁰, respectively. The Trust also met its financial duties for the rolling three-year period 2022-25, with a cumulative surplus of £331,000. In 2024-25, the Trust delivered savings of £2.819 million against a plan of £2.379 million resulting from savings to pay and non-pay expenditure. The Trust also met the NHS Wales target to pay 95% of non-NHS contracts within 30 days.
- 75 As at month six 2025-26, the Trust was on track to deliver its forecast of a breakeven position at the end of the financial year and for the rolling three-year period 2023-26.

Financial planning arrangements

- 76 Financial planning is strong and supports its strategic priorities. The Board approved the 2025-26 Financial Plan in March 2025 as part of the IMTP approval process. The plan assumed core funding of £164.5 million made up of:
- £145 million - Welsh Government core funding;
 - £10.5 million - Welsh Government non-core funding;
 - £8.6 million - anticipated Welsh Government funding (unconfirmed at the time of planning); and
 - £0.5 million - NHS service level agreements

¹⁰ The capital surplus includes a £75,000 under spend against the allocation and £37,000 following the disposal of assets.

- 77 Welsh Government agreed recurrent funding for the 2024-25 pay award and added it to the Trust core allocation in month 5 2025-26. This is in line with the planning assumptions made by the Trust.
- 78 In 2025-26, the Welsh Government set a requirement for all NHS Wales organisations to deliver a minimum of 2% savings against baseline expenditure. The Trust set a savings scheme of £2.6 million, split as:
- £1.3 million recurrent productivity and efficiency savings; and
 - £1.3 million non-recurrent cash releasing savings.
- 79 As of month six 2025-26, the Trust is in track to achieve its savings target. The Trust is reinvesting efficiency savings into organisational priorities across three key areas:
- digital and data (modelling and artificial intelligence);
 - strategic change and delivery; and
 - strengthening core areas.
- 80 The plan shows that the Trust has a good understanding of cost pressures, such as rising pay, inflation, rent and strategic project additional costs. The Trust keeps the plan under regular review to ensure it stays up to date.

Financial management arrangements

- 81 The Trust maintains robust processes to ensure compliance with statutory instruments and to report and challenge any breaches. As noted in **paragraph 14**, the Board has reviewed and approved the Standing Financial Instructions and Schemes of Delegation. Single tender actions, losses, and special payments are routinely scrutinised by the Audit and Corporate Governance Committee (ACGC).

- 82 Strong controls are still in place to manage finances and maintain oversight at a directorate level. The Financial Plan clearly sets out funding assumptions, cost pressures, and directorate budget allocations. The Trust agrees budgets with each directorate at the start of the year, which are then reviewed in quarterly financial review meetings. The Trust is also exploring opportunities to strengthen controls through new automated processes for expenditure review.
- 83 The Trust submitted high-quality draft financial statements within the required timescales, which the ACGC and Board considered in June 2025. Our audit found six non-material misstatements, all of which the Trust corrected. We issued an unqualified opinion on the truth and fairness of the accounts and an unqualified regulatory opinion.

Monitoring financial performance

- 84 The Trust continues to have good arrangements to monitor and report its financial position. The Board receives a detailed Financial Position Report at every meeting, providing clear visibility of revenue, forecast position, capital expenditure, and non-NHS invoice payments. These reports are subject to robust scrutiny and challenge.
- 85 The Performance Assurance Dashboard includes financial performance, which is summarised in the Performance and Insight Report, ensuring alignment with broader organisational performance monitoring.

Appendices

1 About our work

Scope of the audit

We looked at the following areas for the period July and September 2025:

- How well the board works;
- How well the board oversees risks, performance, and the quality and safety of services and tracks recommendations;
- How well the body prepares key strategies and plans; and
- How well the body manages its finances.

We did not look at the body's operational arrangements.

Audit questions and criteria

Questions

Our audit addressed the following questions:

- Does the Board conduct its business appropriately, effectively, and transparently?
- Is there a sound corporate approach to managing risks, performance, and the quality and safety of services?
- Is there a sound corporate approach to producing strategic plans and overseeing their delivery?
- Is there a sound corporate approach to financial planning, management, and performance?

Criteria

Our audit questions were shaped by:

- Model Standing Orders, Reservation and Delegation of Powers;
- Model Standing Financial Instructions;

- Relevant Welsh Government health circulars and guidance; and
- The Good Governance Guide for NHS Wales Boards (Second Edition).

Methods

We reviewed a range of documents, including:

- Board and committee papers and minutes;
- Key governance documents, including Standing Orders and Standing Financial Instructions;
- Key strategies and plans, including the IMTP;
- Key risk management documents, including the Board Assurance Framework;
- Annual Report, including the Annual Governance Statement;
- Relevant policies and procedures; and
- Reports prepared by other relevant external bodies.

We interviewed the following key stakeholders:

- Assistant Director of Integrated Governance;
- Assistant Director of Quality and Nursing and Allied Health Professionals;
- Board Chair;
- Board Secretary and Head of the Board Business Unit;
- Chief Executive;
- Deputy Board Secretary and Deputy Head of the Board Business Unit;
- Executive Director of Nursing, Quality, and Integrated Governance;
- Head of Financial Planning;
- Head of Planning;
- Head of Risk Management; and
- Interim Executive Director of Operations and Finance.

We observed Board meetings as well as meetings of the following committees:

- Audit and Corporate Governance Committee;
- Quality, Safety, and Improvement Committee;
- People and Organisational Development Committee; and
- Knowledge, Research, and Information Committee.

2 Previous audit recommendations

Outstanding recommendations from previous structured assessment reports

The table below sets out the progress made by the Trust in implementing outstanding recommendations from previous structured assessment reports.

2023 Recommendations

R2 The Trust should improve the scheduling of all its committee meetings to ensure timelier flows of information to and from Board, to reduce the need for verbal assurances to Board, and to provide more consistency when committees receive quarterly and bi-annual reports. Consideration of short additional meetings to cover specific agenda items should also be made (**complete, paragraph 19**).

R6 The Trust should develop a central log of recommendations arising for other reviews to enable corporate oversight of progress (**complete, paragraph 62**).

2022 Recommendations

- R7** The Trust currently lacks a comprehensive Board Assurance Framework and there are currently several gaps in the Trust's sources of assurance. As part of the review of its long-term strategy, the Trust should develop a clear Board Assurance Framework. The Board Assurance Framework should:
- b)** include all relevant controls and sources of assurance for Board and committees **(in progress, paragraph 49)**.
 - d)** be used to inform Board and committee workplans **(complete, paragraph 20)**.

Parts a) and c) of this recommendation were assessed as complete in our 2023 structured assessment.

- R4** There are opportunities to include staff and user feedback more routinely in committee meetings, incorporating feedback from broader users of the Trust's services, such as NHS and local government bodies. In developing its approach to seeking, and providing assurance on, feedback, the Trust should incorporate capturing a broader perspective of views on how its services are received **(complete, paragraph 39)**.

2021 Recommendations

R4 The Trust has not set out its strategic approach to managing its buildings (both owned and leased) and other physical assets. As part of the long-term strategy review, the Trust should set out its strategic approach to ensuring that its buildings and assets support delivery of its strategic priorities, maximising efficiency, and effective use **(complete)**.

The Trust set out its strategic approach to developing its estates and other physical assets in a Board paper (September 2025). The Trust has also implemented an annual review of estates.

3 Key terms in this report

Term	Description
Board Assurance Framework	A Board Assurance Framework sets out the risks linked to the organisation's strategic objectives, and the controls and assurances in place to manage those risks.
Board Business Unit	The function supporting the Trust's Board Secretary.
Clinical Strategy	A Clinical Strategy is a long-term plan that helps shape how healthcare services are designed and delivered to meet the needs of patients and communities.
Corporate Risk Register	A Corporate Risk Register sets out the organisation's significant risks (either those with high scores or organisation-wide impact) and the actions in place to manage them.
Counter Fraud	Counter fraud refers to the activity undertaken by the organisation to prevent, detect, and investigate fraud, bribery, and corruption. The NHS Counter Fraud Service (CFS) Wales, which operates under the NHS Wales Shared Services Partnership, leads this work.

Term	Description
Governance Hub	A single point of contact for staff on all aspects of governance.
Integrated Medium Term Plan	An Integrated Medium-Term Plan is a three-year plan that sets out how the organisation will deliver its services, manage its workforce, and meet its financial duties to break even. The organisation sends its plan to the Welsh Government for approval.
Losses	Losses include things like theft, fraud, overpayments, or damage to property.
Quality Governance	Quality governance is the combination of structures, processes, and behaviours used by an organisation, particularly its board, to lead on and ensure high-quality performance, including safety, effectiveness, and patient experience.
Register of Interests	The Register of Interests helps ensure transparency by recording any personal or business interests of Board members and staff that could influence decisions.
Scheme of Reservation and Delegation	The Scheme of Reservation and Delegation set out which responsibilities stay with the Board and which are passed to committees and executives, along with reporting arrangements to ensure proper oversight.

Term	Description
Single Tender Action	A Single Tender Action is when an organisation buys goods or services from one supplier without going through a competitive process, usually because there is only one suitable option or urgent need.
Special Payments	Special payments are one-off payments made in unusual situations – like compensation or goodwill gestures – that fall outside of the organisation's normal business activity.
Standing Financial Instructions	Standing Financial Instructions set out the financial responsibilities, policies, and procedures adopted by the organisation.
Standing Orders	Standing orders set out the rules and procedures by which the organisation operates and make decisions.
Well-being of Future Generations Act (2015)	This Act requires public bodies in Wales to work sustainably and collaboratively to improve well-being across social, economic, environmental, and cultural areas, by setting long-term goals (called well-being objectives), involving citizens, and making decisions that consider the impact on future generations.

About us

The Auditor General for Wales is independent of the Welsh Government and the Senedd. The Auditor General's role is to examine and report on the accounts of the Welsh Government, the NHS in Wales and other related public bodies, together with those of councils and other local government bodies. The Auditor General also reports on these organisations' use of resources and suggests ways they can improve.

The Auditor General carries out his work with the help of staff and other resources from the Wales Audit Office, which is a body set up to support, advise and monitor the Auditor General's work.

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