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Llywodraeth Cymru
Welsh Government

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Ann Lloyd – Chair
Nicola Prygodzicz – Chief Executive
Aneurin Bevan University Health Board

12 February 2026

Dear Ann and Nicola,

This letter follows the Public Accountability Meeting held with members of the Aneurin Bevan University Health Board on 4 December 2025. Thank you for your and your team's attendance at the meeting, it was an opportunity to highlight the work the health board is delivering for the communities it serves.

These meetings are an important part of the Welsh Government's commitment to holding NHS organisations to account for delivering against our priorities, specifically focusing on in-year operational delivery, financial stability, quality and safety, and management of key risks.

Thank you for the evidence pack provided in advance of the meeting; this forms an important part of the meeting record. The recording of the meeting can be found [at Aneurin Bevan UHB public accountability meeting](#).

This letter sets out my reflections from the meeting. Our discussions were wide-ranging and covered financial planning, service delivery, hospital performance, community care, health inequalities, staff culture, and strategic developments. We will continue to review these themes in our regular review meetings.

Financial performance was considered in depth. You described that the Board's forecast reflected a deterioration from your original financially balanced plan approved by the board to a significant in-year deficit of £19.9m.

You confirmed that this forecast would improve in the next monitoring submission and reflected that this deficit could have been significantly greater without the

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

savings delivered by the health board. The ongoing deficit is driven by pressures in areas such as continuing healthcare, prescribing and additional demand. We debated the extent to which the challenges that were faced could have been predicted and planned in your planning for the year. You highlighted the challenges you have had in implementing the agreed savings plan and shared several unplanned pressures such as increased prescribing and medicines costs in addition to challenges on continuing healthcare expenditure which has increased by 11%.

Whilst the Board has saved over £100 million in the last three years, you are challenged to deliver further savings this year without impacting on other delivery commitments. You confirmed that the Board is clear about the need for ongoing service reconfiguration and greater productivity improvements to support financial sustainability, and the need to recover your financial position in the short-term.

The Board acknowledged that urgent care pressures are contributing to unplanned expenditure, but there are opportunities related to efficiencies, productivity improvements and workforce. Workforce spending, particularly on agency and locum staff, remains higher than expected, with notable pressure in acute medicine, emergency care, and mental health. You indicated that the health board's value and sustainability board is looking at pay and related costs such as bank staff and agency, medicine, CHC, productivity, length of stay and theatres efficiency. Although some progress has been made in rostering and workforce controls, officials requested greater clarity on cost drivers and the effectiveness of the measures currently in place. Discussions on the financial recovery programme highlighted the need for more rigorous oversight, clarity around expectations of staff throughout the organisation on financial management and improved efficiency, stronger ownership of schemes, and clearer milestones.

I am disappointed in this outturn after the submission of a balanced plan and I do have to challenge how effective the Board's planning for this financial year has been. You must now plan a credible route to recurrent financial balance through service transformation, productivity gains, digital optimisation and realistic workforce modelling. You recognised that the health board must do more and confirmed that as part of the next planning round the Board will submit a plan that improves further on the current position. I therefore expect the Board to agree a revised year-end forecast with a fully assured and deliverable savings programme, alongside a comprehensive review of workforce expenditure, agency usage and planned reductions.

The Board provided an overview of the prevailing quality and safety challenges, noting continued pressures across urgent and emergency care and the effect these pressures are having on timeliness and safety of treatment. While I recognise the efforts being made to address safety concerns, I remain concerned about your serious incident performance.

You highlighted progress with developing a quality outcomes framework and patient experience work, including the use of real-time feedback and patient-reported outcome and experience measures (PROMs/PREMs) and engagement with communities whose outcomes and access remain comparatively poor. However, following our discussion around your mental health and neonatal services, I expect

the health board to provide further assurance in the quality and safety as well as the implementation of any improvement plans.

Urgent and emergency care (UEC) performance remains one of the most pressing areas of concern. The pressures at the Grange University Hospital continue to have significant consequences for patients, with extended waits, high levels of crowding and delays in initial clinical assessment becoming persistent features of the system.

The continuing level of ambulance handover delays driven by restricted bed availability, extended lengths of stay and limited downstream capacity remains unacceptable and poses a clear patient safety risk. You provided an update on the expansion of Same-Day Emergency Care (SDEC), the significant investment made to support the emergency department through the discharge lounge, emergency department (ED) expansion and additional consultant recruitment but greater clarity is required on the measurable impact this is having on ED crowding and avoidable admissions. Officials questioned if the hospital is having the desired impact and if the current set-up is fit for purpose given it was designed to care for more acute patients but remains challenged with flow and the inability to divert patients to alternative hospitals due to capacity constraints.

Challenges with the emergency department ahead of winter were discussed and while the Board has a plan in place, officials and the health board discussed the need for sharper daily oversight, escalation discipline and strengthened weekend discharge processes.

Following our discussion, I expect the health board to produce a strengthened UEC Improvement and Stabilisation Plan setting out clear admission avoidance expectations, handover and length of stay reduction trajectories, SDEC activity and improved internal flow processes, supported by a robust command and control approach for winter.

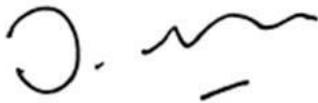
Turning to planned care, elective recovery and cancer, the progress made in addressing the longest waits was welcomed given the funding provided by Welsh Government. There are specialties under pressure, with activity levels insufficient to meet underlying demand which the health board need to address. Cancer performance remains variable and continues to be affected by specialist workforce shortages and diagnostic capacity which remains a significant constraint, particularly in MRI, CT, echocardiography and endoscopy, with a clear impact on RTT and cancer pathways.

The meeting concluded with a discussion on governance, risk and strategic planning. Officials requested further assurance that the Board's committee structures are providing effective oversight of operational and financial risks. You described recent actions to strengthen corporate governance, including refreshed committee cycles and enhanced escalation arrangements. Progress on the development of the 2025–28 IMTP was noted, although further work is required to ensure that the plan integrates strategic intent with operational capability, workforce requirements and financial realism. Officials also stressed the importance of strengthened regional collaboration, particularly in relation to diagnostics and elective sustainability.

The meeting rightly focused on those areas where improvements are needed and where I expect the board to have enhanced oversight, leadership, operational and financial grip and control.

In summary, this was a challenging meeting. I appreciate the positive engagement of the health board throughout this meeting. The Welsh Government will continue to monitor progress closely through the established accountability arrangements, and I expect the actions set out in this letter to be delivered at pace.

Yours sincerely,

A handwritten signature in black ink, consisting of a large 'J' followed by a series of loops and a horizontal line at the end.

Jeremy Miles MS

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Cabinet Secretary for Health and Social Care