



To All NHS Chairs and Chief Executive Officers

Our Ref: NW/

16 March 2026

Dear Colleagues,

Accountability Interface Arrangements

I am writing to set out a new approach to NHS Wales/Welsh Government oversight and interface arrangements for the coming year; these changes are a result of recent discussions at NHS Leadership Board and the responses to the two Ministerial Advisory Group (MAG) reports MAG Accountability and MAG Performance and Productivity.

Both reports made recommendations with regards to simplifying the current arrangements to drive clarity, transparency and a focus on clearer objectives aligned to a single performance reporting framework.

The first phase of the changes discussed with NHS leaders is to simplify the current interface arrangements and align the cadence of assurance meetings with the organisational levels of escalation.

As a result, we will be removing the monthly IQPD meetings and the twice-yearly JET meetings, this will be replaced with a NHS Wales CEO led Executive review meeting on a regularity related to organisational risk and escalation status.

NHS Wales organisations will be expected to meet the following requirements to support these changes:

- Provide timely, accurate data and updates via the common reporting pack.
- Utilises the single reporting pack within Board papers and discussions.
- Maintain delivery plans (IMTP/annual plan) and corrective action plans aligned to escalation requirements.
- Participate in risk-based **CEO/Executive Review Meetings** with the NHS Wales CEO (cadence set by escalation level) to reinforce earned autonomy.

As a result of feedback from Chairs and CEOS we will ensure we clearly articulate the key escalation /de escalation criteria to each of the escalation pillars and for each organisation this will ensure that all the Welsh Government interfaces are aligned to these principles.



The escalation and intervention framework will set out the criteria and align the support provided to organisations through Welsh Government and NHS Performance & Improvement.

There have been several important questions regarding NHS P&I. The Framework's intent is to simplify the interface, with NHS P&I acting as the single operational conduit for Welsh Government - not as a policy-setter or as an exercising body of any statutory intervention powers.

NHS P&I, as a hosted body within Public Health Wales, cannot hold or exercise intervention powers; these rest exclusively with Welsh Ministers under section 26 of the Act.

The role of NHS Performance & Improvement in the NHS Wales system is set out below:

- Acts as the **single operational assurance interface** with each NHS organisation.
- Consolidates data and narrative against the four pillars (quality, workforce, finance, performance).
- Operates a structured support offer (diagnostic, targeted support, improvement plans) matched to escalation level.
- Provides monthly system synthesis to Welsh Government, including risks, mitigations and recommended actions.

This approach is a direct response to the two MAG report recommendations and is intended to support the move towards greater transparency and clearer accountability.

We intend to move to these arrangements in the first quarter of 2026/27 and will conduct a full review on the implementation of the changes with the NHS Leadership Board in quarter 3, to ensure that the desired outputs from the changes are achieved.

The changes outlined in this approach have been reviewed and discussed by the Cabinet Secretary and feature in a written statement released this week, we will of course be discussing the accountability arrangements with new ministers following the Senedd election and provide further updates to you should further change be required by the new government.

It is important to note that the legal and statutory framework is not changing

Boards and Chairs are accountable to Welsh Ministers, not the NHS Wales CEO; and CEOs are accountable to their Boards through the Chair.

I must also stress that current Board governance arrangements are not intended to be impacted by these changes.

The purpose of CEO/Executive Review Meetings with the NHS Wales CEO/DGHSCEY is to obtain operational assurance to support Welsh Ministers in their formal accountability. I recognise that this is a considerable change in approach and will take time to embed, and I am sure you will also recognise the change in role of NHS P&I which will take time to both establish and mobilise. Chris Clayton (MD NHS P&I) is working with his team to ensure that both the oversight and intervention/support functions are prioritised in the reshaping of NHS P&I.

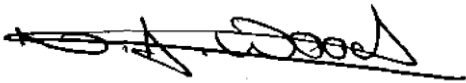
The proposed timetable for implementation is as follows:

We intend to move to the new arrangements in **Q1 of 2026/27**, with a phased stand-down of IQPDs across organisations as set out:

- April: Betsi Cadwaladr, Cardiff & Vale
- May: Aneurin Bevan, Swansea Bay
- June: Powys, Hywel Dda, Cwm Taf Morgannwg

Thank you to all those who have provided feedback on the changes and I hope that the arrangements we are putting in place whilst subject to further review have considered the views of organisations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nick Wood', with a long horizontal line extending from the end of the signature.

Nick Wood
Deputy Chief Executive – NHS Wales

Appendix

A NEW OPERATING & ACCOUNTABILITY INTERFACE - NHS WALES

1. Introduction

The NHS Leadership Board and HSCEYG EDT identified several areas for change and consolidation to the interface and accountability arrangements of the NHS Wales system these aligned to the Ministerial Accountability Group (MAG) accountability review recommendations and MAG Productivity and performance review.

Change is needed to meet the overarching objectives of modernising and simplifying the accountability and operating frameworks in NHS Wales.

This paper makes several recommendations to meet those overarching objectives and seeks agreement from NHS Wales system leaders and Welsh Government (WG) officials.

The paper has considered the recommendations/objectives from the recent discussions and MAG reviews, and the following principles have informed the recommendations in this paper:

- Meetings at national level to be standardised (in line with MAG recommendations) with a clear purpose aligned to the escalation and intervention framework.
- The interface needs to be focussed with clarity on objectives, timelines, accountability, and precision of assurance.
- The current measurement system (process measures, inputs, outputs) doesn't drive change and is over complicated with too many priorities. Need to utilise the MAG recommendation of a single agreed performance and outcomes framework which is agreed and reported by all parties.
- Need to optimise use of NHS Leadership Board structure as a national oversight meeting to drive change and improvement.
- NHS Performance & Improvement (NHS P&I) is central to system improvement, oversight and assurance and should occupy a system role in providing an appropriate bridge between the system and Welsh Government.
- The Escalation & Intervention Framework, which was updated this year, needs to provide clarity in escalation and de-escalation criteria alongside the available support to organisations to drive system and organisational improvement.
- This framework will be supported by clear interventions from NHS P&I to support organisations alongside a clarity of the consequences of non-delivery of de-escalation criteria.
- Continue the movement to greater transparency, accountabilities need to be clear and drawn from IMTP framework and promote a culture of improvement, support and early intervention.

2. Oversight and Assurance

This document sets out a streamlined, risk-based approach to oversight and assurance for NHS Wales. It:

- **aligns** with the Welsh Government [NHS Oversight and Escalation Framework](#) (five escalation levels from routine arrangements to special measures).
- **integrates** the current [NHS Wales Framework](#) measures and domains (quality, workforce, finance, performance), ensuring consistent reporting and focus.

- **implements** selected recommendations and intent from the Ministerial Advisory Group (MAG) on performance and productivity (e.g. simplifying interfaces, strengthened clinical leadership and increasing transparency in monthly performance reporting).

Design Principles

- **Fewer interfaces, clearer lines:** Reduce the number of direct interfaces between Welsh Government and NHS organisations by using NHS P&I as the principal conduit.
- **One version of the truth:** A single, governed dataset and narrative shared across WG, NHS P&I and NHS organisations for assurance and performance reporting.
- **Risk-based and proportionate:** Cadence and intensity of engagement tied to escalation level and risk profile, in line with the WG framework.
- **Earned autonomy:** High-performing organisations gain lighter touch oversight, more freedoms and reduced meeting burden; weaker performance triggers closer support and intervention. (This mirrors good oversight practice common across UK systems.)
- **Productivity and outcomes focus:** Progress tracked routinely across quality, workforce, finance and performance pillars derived from the Planning, Quality, Performance and Outcomes Frameworks.
- **The Health Outcomes Framework:** Will provide the model through which measures and indicators of quality, safety, productivity, and equity will be aligned to the delivery of improved population health. Outcomes will be used consistently across Welsh Government, NHS P&I, and NHS organisations to guide improvement, monitor progress, focus escalation, and ensure that performance management drives meaningful change in health and wellbeing rather than activity alone.
- **Public accountability:** Clear annual public accountability meetings for each organisation.
- **Clinical Leadership:** Strengthened and aligned to service improvement.
- **Regional and Collective Accountability** – The principles within this paper will be applied to the three regional structures to support collective accountability and oversight.

3. Scope and Roles

3.1 Welsh Government (HSCEY Group)

- Sets strategy and policy which then align to ministerial priorities IMTP framework.
- Establish professional and clinical guidelines and service standards.
- The Offices of the Chief Medical Officer (CMO) and Chief Nursing Officer (CNO) provide national clinical leadership across Welsh Government and NHS Wales to ensure that policy intent translates into safe, effective, value based clinical practice. Through the CMO, CNO and their teams, they set clinical and professional standards, provide system level advice, and ensure a clear line of sight between ministerial priorities, clinical governance, quality, and population health outcomes. The CMO and CNO are the professional leads for NHS Wales and support the work of NHS P&I with clinical insight across quality, safety, productivity, equity, and outcomes to support proportionate escalation, targeted intervention, and sustained improvement across the system.
- Chairs a monthly **WG–NHS P&I Oversight Meeting** to receive a whole-system update against the 4 key pillars to inform progress, improvement and intervention criteria and outputs.
- Maintains links with scrutiny bodies (Audit Wales, Healthcare Inspectorate Wales) within the joint arrangements.

- Convenes appropriate and timely Tri-partite discussions to inform recommendations for escalation and deescalation.

3.2 NHS Performance & Improvement (NHS P&I)

- Acts as the **single operational assurance interface** with each NHS organisation.
- Consolidates data and narrative against the four pillars (quality, workforce, finance, performance).
- Operates a structured support offer (diagnostic, targeted support, improvement plans) matched to escalation level.
- Provides monthly system synthesis to Welsh Government, including risks, mitigations and recommended actions.

3.3 NHS Organisations (Health Boards, Trusts, SHAs)

- Provide timely, accurate data and updates via the common reporting pack.
- Utilises the single reporting pack within Board papers and discussions.
- Maintain delivery plans (IMTP/annual plan) and corrective action plans aligned to escalation requirements.
- Participate in risk-based **CEO/Executive Review Meetings** with the NHS Wales CEO (cadence set by escalation level) to reinforce earned autonomy.

4. Data and Reporting: “One Version of the Truth”

4.1 Shared Performance Pack

- **Content:** Core measures from the NHS Wales Performance Framework and Outcomes Framework - (including access, cancer, UEC, productivity/finance, quality indicators), plus organisation-specific risks and mitigations.
- **Ownership:** NHS P&I curates; organisations populate; Welsh Government and NHS Organisations utilise and report the same pack without alteration.
- **Frequency:** Monthly refresh; quarterly deep dives.
- **System Daily Reporting** – Utilises same data sets as Shared Performance Pack but is produced daily to inform system resilience and risk management.

4.2 Access for WG Policy Officials

- A **robust access mechanism** gives policy officials near-real-time data and board-level narratives to answer Ministerial and Senedd questions promptly.
- Access governed by information assurance protocols and role-based permissions; content sourced from the single dataset and evidence repository.
- This reduces duplication, improves responsiveness and supports transparency. (This approach is consistent with WG’s drive to streamline oversight and reporting.)

5. Escalation Alignment

We adopt the **five escalation levels** and descriptions from the WG framework—routine arrangements (1) through to special measures (5)—and link these to a **meeting cadence** and **data/reporting requirements** proportionate to risk.

- **Levels reflect domains** (governance/leadership, performance/outcomes, finance, quality, strategy/planning, fragile services) and are applied per organisation and, where needed, per domain.
- **De-escalation criteria** are clear and mutually agreed and follow the framework (demonstrable sustained improvement and risk reduction).

6. Meetings and Interfaces (Reduced and Risk-based)

6.1 System-level

- **WG–NHS P&I Oversight Meeting (Monthly):** Whole-system update; escalation/de-escalation recommendations; cross-cutting risks (e.g., workforce, fragile services).
- **Public Accountability Meeting (Annual/Biannual per organisation):** Formal public session covering outcomes, finance, quality and delivery against priorities.

6.2 Organisation-level

- **CEO/Executive Review with NHS Wales CEO and team:** Cadence is tied to escalation level.
- **Whole Board Meeting with NHS Wales CEO and team** – organisations in Level 5
- **Targeted Support Clinics (as needed):** Time-limited improvement support aligned to the framework's "targeted support" provisions.
- **Individual Organisation or System Risks:** Time limited and aligned to agreed risk areas and performance profile

Existing IQPD/JET meetings are **removed** and replaced by the risk-based interface, with NHS P&I acting as the single operational interface.

The interface with other NHS organisations should align with this process – WAST, PHW, DHCW, and HEIW.

Note for consideration the hosting arrangements for NHS P&I.

6.3 Meeting Cadence by Escalation Level (Replacing IQPDs/JETs)

Risk-based cadence aligned to the **WG Oversight and Escalation Framework** levels.

Escalation Level (WG framework)	Description (summary)	CEO/Executive Review with NHS Wales CEO	WG–NHS P&I Oversight Touchpoint	Notes
Level 5 (Special Measures)	Very serious concerns; potential use of statutory Ministerial powers.	Monthly	Monthly	Intensive support; external review; strict consequences.
Level 4 (Targeted Intervention)	Serious concerns; time-limited targeted support.	Every 2 months	Monthly	Focused improvement plans; milestone reviews.
Level 3 (Enhanced Monitoring)	Serious concerns requiring close monitoring and proactive organisational response.	Quarterly	Monthly	Regular progress updates; data/evidence submissions.
Level 2 (Areas of Concern)	Early warning; prevent escalation through prompt corrective action.	6-monthly	Monthly	Formal notifications possible; targeted remedial actions.
Level 1 (Routine)	Standard	6-monthly	Monthly	Light-touch;

Escalation Level (WG framework)	Description (summary)	CEO/Executive Review with NHS Wales CEO	WG–NHS P&I Oversight Touchpoint	Notes
Arrangements)	assurance; effective govern s		(system)	annual public accountability meeting.

Key change: IQPDs and JETs are **removed** and replaced with the above risk-based cadence, a common reporting pack, and the single operational interface via NHS P&I.

For Southeast and Southwest Wales, where Ministerial Direction has been given, regional meetings will be held between the health boards, Welsh Government and NHS Wales P&I on a six monthly basis to ensure collective accountability.

7. Earned Autonomy, Rewards and Consequences

7.1 Earned Autonomy (Rewards)

Organisations consistently meeting delivery expectations across **quality, workforce, finance and performance** will benefit from:

- **reduced meeting burden** (lower frequency and lighter touch).
- **flexibilities** in delivery (e.g., local pathway choice, discretionary improvement funding focus, streamlined approvals).
- **positive public narrative** at annual accountability meetings. (This mirrors best practice approaches used in other UK oversight regimes to incentivise performance.)

7.2 Consequences

Where performance or assurance falls short:

- **level-based interventions** (enhanced monitoring, targeted intervention, special measures) per the WG framework are implemented.
- **formal notifications** at Level 1 and Level 2 (recorded letters of concern/performance notices) signalling accountable officer responsibility and expectations to recover. (Consistent with the step-up model described in WG escalation arrangements.)
- **Escalation of CEO accountability:** Where sustained non-delivery persists, progression to Level 3/4/5 will carry progressively stronger consequences, including increased external review, limits on local flexibilities, and, at Level 5, use of statutory Ministerial intervention powers under the NHS (Wales) Act 2006 (as a last resort).

7.3 Accountability Mechanisms

In parallel, WG may review CEO accountability arrangements to ensure both **organisational** and **individual** accountability are clear, including formal warnings at Level 1 and Level 2 before further action if recovery does not occur (policy development required; legally compliant with existing statutory frameworks).

NB to be considered - a shift in escalation status decision making to align with revised arrangements.

Could include -DG/NHS Wales CEO to determine escalation status 1-3 with support from WG officials, with ministerial recommendations and decision at levels 4/5.

8. Role of NHS Performance and Improvement (NHS P&I)

Cabinet Secretary, in April 2025, stated that NHSP&I has a dual role to:

- Support NHS Wales to deliver better health services for patients and the public
- Support Welsh Government to hold NHS Wales to account for the provision of health services and delivery of statutory requirements.

The introduction of the role of Managing Director to provide leadership to NHS P&I is complete and he has the responsibility and accountability to act in redefining the approach and structure of the functions.

The functions of NHS P&I are being aligned to the accountability expectations set out in this paper.

The role of the clinical networks and national programmes alongside system leaders, will support the development of clinical leadership, system leadership and quality improvement.

In recognising the resources within NHS P&I the establishment of a support and intervention structure is being taken forward as part of this work.

The role of NHS P&I in system assurance will be defined to support the new interface with NHS organisations in development of the shared reporting pack and monthly monitoring.

9. Delivery Expectations and Tracking

To simplify and sharpen oversight, we will assess organisations against four pillar domains — Quality, Workforce, Finance, and Delivery/Performance — with a foundation domain of Leadership (Well-led) that sets the culture, behaviours and governance needed for sustainable improvement. This replaces the legacy set of escalation domains while remaining fully compatible with the Welsh Government's five escalation levels (routine arrangements to special measures). Escalation may apply to one or more pillars, and decisions will continue to follow the national framework and tripartite intelligence routes.

How this aligns with the current framework?

The national framework currently references domains such as finance, strategy and planning; performance and outcomes; quality of care, prevention; fragile services; governance; and leadership, capability and culture. These are now consolidated into the four pillars, with planning and governance embedded within Finance, Delivery/Performance and the Leadership foundation respectively, and fragile services managed through Quality and Delivery/Performance depending on the nature of risk.

Foundation domain: Leadership (Well-led)

Definition: Boards and senior leaders set clear purpose and strategy, role-model the values and behaviours required for high-quality care, nurture an open, fair culture, ensure strong integrated governance across quality, finance and operations, and drive continuous improvement and system working. This domain will be assessed using a framework inclusive of self-assessment and evidence.

Leaders evidence: (i) clear shared direction and culture; (ii) effective governance and risk management; (iii) transparent use of data and insight; (iv) compassionate, inclusive people leadership; (v) visible improvement capability; and (vi) constructive system relationships that support delivery at pace.

Escalation focus: Concerns about leadership capacity, governance, culture or capability (including lack of credible recovery planning or weak assurance) will be recorded under this foundation domain and may trigger or amplify escalation in one or more pillars.

Pillar 1: Quality

Definition: The safety, effectiveness and experience of care — including compliance with quality standards, learning from incidents, clinical outcomes, and reduction of unwarranted variation.

Evidence base: National quality measures and statements, triangulated with the National Quality Management System, patient experience feedback and external assurance (Healthcare Inspectorate Wales, Audit Wales). Fragile or high-risk services (for example, maternity and neonatal) are captured here and, where relevant, in Delivery/Performance.

Expectations: Sustained compliance with agreed quality standards and trajectories; evidence of learning translating into improved outcomes and reduced harm.

Pillar 2: Workforce

Definition: A safe, sustainable and engaged workforce with the right capacity, capability and culture to deliver plans — encompassing recruitment, retention, sickness, wellbeing, turnover, and productivity enablers.

Evidence base: People-measures within the national oversight approach (for example, staffing, skill mix, rota fill, training compliance, wellbeing indicators), supported by qualitative insights from staff surveys and speaking-up data.

Expectations: Delivery of safe staffing plans and trajectories; improved stability and engagement; demonstrable impact of workforce actions on quality and operational performance.

Pillar 3: Finance

Definition: In-month and year-to-date financial position, medium-term sustainability, savings delivery and use of resources, with credible, triangulated plans that balance quality, activity and workforce. Strategy and planning considerations sit here where they materially affect financial sustainability.

Evidence base: Monthly monitoring returns, integrated performance and finance reports, and assurance over financial governance and control. Deeper review where there is a significant underlying deficit or gaps to plan.

Expectations: Sustained delivery against the agreed financial trajectory; strengthened financial controls; approved and deliverable medium-term plan demonstrating recurrent balance.

Pillar 4: Delivery/Performance

Definition: Delivery against nationally agreed priorities and the Performance Framework — including urgent and emergency care, planned care and cancer, diagnostics, mental health, and other access standards — supported by credible recovery plans and trajectories.

Evidence base: The single performance pack and published performance measures, trend analyses, risks and mitigations. Where quality or fragile-service risks are operational in nature (for example, patient flow, access backlogs), they will also be tracked here.

Expectations: Sustained delivery of agreed milestones and outcomes; variance managed within agreed tolerances; performance maintained without disproportionate negative impact on quality, workforce or finance.

9.1 Applying escalation within the pillars

- Levels: We continue to use five escalation levels, from routine arrangements (Level 1) through areas of concern, enhanced monitoring and targeted intervention to

special measures (Level 5). Escalation can apply to one or multiple pillars and will be informed by proportionate, risk-based evidence.

- Tripartite and external assurance: Intelligence from Healthcare Inspectorate Wales, Audit Wales and other third parties will be considered, alongside organisational data and narratives.
- De-escalation: As per the framework, de-escalation will be agreed with clear criteria (typically one level at a time) and evidenced by sustained improvement.

9.2 Mapping from legacy domains to the new structure

- Quality of care → Quality pillar: Fragile services (for example, maternity and neonatal) monitored through Quality and Delivery/Performance as appropriate.
- Performance and outcomes → Delivery/Performance pillar: access, flow, recovery trajectories.
- Finance, strategy and planning → Finance pillar: with planning content embedded across Finance and Delivery/Performance according to impact.
- Governance; leadership, capability and culture → Leadership (Well-led): foundation domain.

9.3 Measurement and reporting

Each pillar will be evidenced through the single shared reporting pack and common dataset, with quarterly deep dives and a clear audit trail. Leadership (Well-led) will be evidenced through board evaluation, culture and speaking-up insights, external reviews and self-assessment against the well-led guidance.

1. **Diagnosis**: NHS P&I reviews trends, risks and variation using common pack.
2. **Support plan**: Organisation co-designs targeted actions.
3. **Review**: CEO/Executive risk-based meeting checks delivery and outcomes; WG–NHS P&I monthly oversight confirms escalation stance.
4. **De-escalation/Autonomy**: On sustained improvement, cadence reduces and flexibilities increase.

10. Information Governance and Transparency

- **Data assurance**: Single dataset governed by clear standards, definitions and audit trail to ensure accuracy and comparability. (Supports the “one version of the truth” principle.)
- **Publication**: Annual public accountability meetings will publish a concise performance summary and progress against ministerial priorities.
- **Privacy and security**: Role-based access for WG officials; compliance with legal and statutory duties.