Cyfarwyddwr Cyffredinol Grŵp Iechyd, Gofal Cymdeithasol a'r Blynyddoedd Cynnar / Prif Weithredwr GIG Cymru

Director General Health, Social Care & Early Years Group / NHS Wales Chief Executive

Llywodraeth Cymru
Welsh Government

NHS Wales Chief Executives

Our Ref: JT/BS

19 December 2025

Dear Colleagues

NHS Wales Planning Framework 2026-29: Supporting Governance Arrangements

You will be aware that the Cabinet Secretary for Health and Social Care has written to your organisation's Chair setting out the NHS Wales Planning Framework for 2026-29: Transforming Services to Deliver Better Health and Care.

Before I set out the supporting governance arrangements and my own expectations, I would like to express how proud I am to have been appointed as NHS Wales Chief Executive and Director General for the Health, Social Care and Early Years Group, Welsh Government. It is truly an honour and privilege to work with you all to deliver the improvements we all want to see across our health and care system. I have been hugely impressed with the professionalism and commitment I have seen in my role thus far and I am keen that we continue our joint efforts at pace during what remains a hugely challenging time.

I have been impressed with the integrated planning approach taken here in Wales and I am firmly committed to this way of working as we aim to strengthen the delivery of sustainable, quality health and care services to our communities. I am therefore pleased to issue this as my first letter on the back of the recently published NHS Wales Planning Framework 2026-29, which sets out the Cabinet Secretary's priorities for the next planning cycle.

Supporting Governance Arrangements

You will know that the refreshed *A Healthier Wales* actions were published last year, and were supplemented by the Ministerial Advisory Group recommendations on performance and productivity as well as the expectations the Cabinet Secretary set out in *Improving Performance Together.* It is important these continue to be reflected in your planning going forward, including the need to demonstrate prevention throughout organisations' plans. The Well-being of Future Generations (Wales) Act 2015 continues to set the context and requirements, including prevention, within which organisations make decisions.

Integrated Medium-Term Plans (IMTP) must set out how your organisations will secure compliance with their break-even duty over a rolling three-year accounting period, while improving the health of the people for whom they are responsible and the provision of

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healthcare to such people. Organisations must also continue to plan for the longer term and to support delivery in line with strategic objectives and clinical services/organisational strategies. The Cabinet Secretary sets out his expectation very clearly on receiving plans that deliver financial balance.

IMTPs will need to follow the familiar formula for the three-year plans with 'Firm, Indicative and Outline' levels of detail and a clear progression over time. Submissions should therefore include a narrative three-year plan, and completion of the Ministerial templates. This must align to the Minimum Data Set (MDS) which also underpins the development of plans.

The narrative three-year plan should set out what has been delivered, what has been progressed and what was unable to be delivered from the previous submission. Year one of your plans must contain firm delivery commitments that provide clarity on milestones, actions and projections that set the ambition for operational delivery and management of risk for the year ahead, along with financial sustainability. In doing so, you must set out clearly the delivery of financial balance.

You will have seen the key three-year strategic priorities set out by the Cabinet Secretary for Health and Social Care for 2026-29 are broadly similar to the previous Framework, with Quality and Safety being added. This is important in terms of ensuring consistency and stability during what is a challenging and complex planning environment. These priorities are supported by a number of delivery expectations and mandated enabling actions for year 1 of your plans, as directed by the Cabinet Secretary. These priorities, expectations, performance improvements and actions must be central to year one plans with resources clearly identified and committed. In approving your plan for submission to Welsh Government, your Board will be confirming and signing up to the delivery commitments to be made by your organisation.

The Framework is clear that these are the top priorities plans need to focus on, but do not exclude the wider range of services NHS organisations still need to commission and/or provide to improve the health of their populations within the resources available.

For clarity, I expect Boards to ensure all opportunities are fully explored to enable organisations to deliver the priorities in line with allocated resources and in a sustainable way going forward. Boards must fully understand and set out any risks to delivery of the plans and have mitigations identified prior to submission of plans. This will help us with the assessment of plans, together with supporting the Cabinet Secretary in making early decisions about plan approvals.

As in previous years, quality, safety and the reduction of health inequalities within and across communities must continue to underpin NHS planning. Evidencing the approaches being taking across these areas need to be set out in the narrative three-year plans. Quality and equity are important threads running through all service and care provision that organisations will want to demonstrate. Your Anti Racism Wales Action Plans should continue to address employment and service delivery as a specific part of your wider approach to equality, inclusion and diversity. The Duty of Quality in particular places a requirement on all of us, as individuals and organisations, and we must take into account the 12 Health and Care Quality Standards when making decisions and planning services. This framing will also be used in the assessment of plans. I am aware that this will be familiar to you, but I want to emphasise the importance I give to quality and outcomes and this is what the Cabinet Secretary and I want to see driving your plans.

Financial Planning

I recognise the significant pressures the NHS in Wales is experiencing, pressures which are not just being seen here in Wales of course. However, this necessitates an even greater focus from NHS organisations to deliver improvements in financial terms, and delivering sustainable financial positions is a priority for NHS bodies. The Cabinet Secretary has been clear on the expectation on where funding is provided, what it is intended to support, expectation on improving use of existing resources, and an expectation of financial balance. Delivering this will involve changing the 'status quo' and exploring a range of innovative ways to reshape and transform your services.

I therefore fully expect to see plans to show an improvement in terms of the delivery and efficiency of services within available resources, and for those plans to be set on a firm base. I want to see greater financial improvement at pace, alongside other priorities, as you work to achieving financial balance.

Continued scrutiny, nationally and locally, on financial management is central to ensuring that progress continues to be made by organisations in driving down financial risk. Please ensure that there are mechanisms in place to consistently align and understand the impact of any financial or workforce decisions on the delivery of plans.

The continued challenges of the financial environment are well understood and therefore maximising all opportunities for transformation, utilising new technologies that create efficiency, productivity and improved patient experience and outcomes must be delivered. The rollout of digital solutions continues to be a part of our future service provision and must be accelerated where it is possible to do so within available resources. The priority focus areas are captured as the enabling actions that must be implemented as outlined in the Planning Framework. Some good progress has been made against a range of the enabling actions set last year, but the opportunities they present have not yet been fully optimised across all organisations. I will be ensuring the Value & Sustainability Board continues to build on this agenda nationally continues as we work together to deliver the key priorities and expectations set out by the Cabinet Secretary. Organisations must develop plans locally that deliver on these requirements.

The NHS Allocation Welsh Health Circular (WHC (2025) 055) and supporting allocation tables are included for your information as follows:

- WHC Cover Letter
- 2026-27 Health Board Allocation Circular
- 2026-27 Health Board Allocation Final Tables
- 2026-27 Health Board Allocation Explanatory Notes

As we continue to strengthen our approach to national and regional working, I am keen to ensure that health bodies who commission and provide services from each other have robust agreements and mechanisms to do so. I will require your confirmation by 27 February that you will be able to agree your respective plans with supported Long-Term Agreements (LTA's) for 2026/27.

Integrated arrangements

The new Performance Framework, which will be issued shortly, reflects the range of key performance information and complements the Minimum Data Set (MDS) that you will provide alongside your narrative three-year plans.

The Cabinet Secretary will require Ministerial templates setting out the delivery of year 1 commitments against each of the key strategic priorities, aligned to your plans to accompany the submission.

NHS plans must continue to be underpinned by collaboration across health board and public sector boundaries and for example ensure they are aligned to Cluster, Pan Cluster Planning Group (PCPG), Regional Partnership Board (RPB) and Public Service Board (PSB) plans. Regional planning between health boards is also a key requirement. We expect to see firm and tangible commitments to regional delivery in your plans.

There are legislative requirements that need to be considered in your planning. These being:

The Well-being of Future Generations (Wales) Act 2015 provides Wales with groundbreaking legislation that places a statutory duty on public services to ensure that we make the best decisions that address the here and now as well as the future. It provides the overarching context for *A Healthier Wales* (including the refreshed actions) and the driver for better health outcomes going forward. To give current and future generations a good quality of life we need to think about the long-term impact of the decisions we make. While this provides clear challenges, the opportunities are immense. Using the sustainable development principle and the five ways of working, as part of our governance and decision making, we can create the environment in which populations can thrive.

Social Partnership and Public Procurement (Wales) Act 2023 – complements the Wellbeing of Future Generations (Wales) Act 2015 and will require NHS bodies to consider the new social partnership requirements when taking specified actions, including the setting or revising of their wellbeing objectives in light of the new requirements. The NHS is already a leader in social partnership and procurement and much of the legislation will already be familiar. The link to key information is attached Social Partnership and Public Procurement (Wales) Act | GOV.WALES

The Health Services (Provider Selection Regime) (Wales) Regulations 2025 were agreed earlier this year and commenced on 24 February 2025. This has given the NHS Wales and local authorities in Wales the ability to implement more flexible procurement practices when sourcing services provided as part of the health service in Wales.

The Duty of Quality and Duty of Candour came into effect in April 2023. It is incumbent on all of us to ensure we are delivering safe quality services. We need to keep in mind the 12 ‘Health and Care Quality Standards’. Similarly, the series of Quality Statements that have been issued by Welsh Government, offer strong guiding principles on what ‘good services’ should aspire to, and boards must satisfy themselves that they have achieved the right balance in their planning.

Timetable for submission

The submission of final plans is due by 31 March 2026**.** Welsh Government will support early assessment of plans to help ensure that there is no pause in the delivery of key priority areas. However, decisions on plan approvals will come after the Senedd elections. In the meantime, accountability conditions and escalation status already in place will remain extant until any further communication is made.

You will be required to submit an Accountable Officer letter to me by 13 February 2026 if your organisation is unable to produce a balanced IMTP. It will be clear at this point whether the organisation will have breached its statutory duty which may lead to further required actions and potentially escalation. For clarity, I would not expect your submission in March to deteriorate from the position described in your AO letter and, if anything, would like to see how mitigation has been put in place to improve on that position.

The escalation status of your organisation and specifically alignment with any de-escalation criteria (where applicable) will need to be reflected in your plans. Colleagues within the NHS Wales Performance & Improvement should support your actions where appropriate.

By 13 February 2026 - Accountable Officer letter (if appropriate)

By 27 February 2026 – confirmation of ability to agree LTAs and plans for commissioned and provider services.

By 31 March 2026 – Final Board approved Plan, Ministerial templates and MDS submission, including the financial templates. Earlier submissions will be welcomed.

Please note the Ministerial template and MDS template will be circulated to your Directors of Planning in due course.

In addition to publishing your Board approved plans, each organisation is asked to develop a short video summarising what your plan will deliver, which can be shared with your stakeholders on your websites and social media channels.

Thank you for your leadership and support for these crucial strategic and operational planning arrangements. A secure and planned system is essential to deliver the improvements we all want to see, and I look forward to receiving your plans in March.

The HSCEY Planning Team will share technical guidance on the development of plans with NHS planners in due course and will engage with your organisations as you finalise your plans.

If you have any questions, please contact Samia Edmonds, Director of Strategic Planning who will provide further details if required and will continue to liaise with NHS Directors of Planning.

Finally, I want to reiterate my thanks to you and your teams, not just for the progress you have made this year, but also for your unwavering focus on improving the health of our nation.

Yours sincerely

Jacqueline Totterdell

WHC (2025) 055

WELSH HEALTH CIRCULAR

Status: Compliance

Category: Finance

Title: 2026-27 Health Board allocation

Date of Expiry / Review: Not applicable

Action by:
Chief Executives
Directors of Finance

Required by: Immediate

Sender: Julie Broughton

Welsh Government Contacts:

Julie Broughton, Finance Directorate, 0300 025 5747

Enclosures: Allocation letter, revenue tables and explanatory notes

Mae'r ddogfen hon ar gael yn Gymraeg hefyd / This document is also available in Welsh
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg / We welcome correspondence and telephone calls in Welsh

2026-27

Health Board

Allocations

Issue Date: 19h December 2025
Finance Directorate
Health Social Care & Early Years Group

Health Board Allocation
2026-27

Introduction

1. This document details the Health Boards revenue & discretionary capital allocations for 2026-27.

2. The allocation reflects the Cabinet Secretary for Health and Social Care's decisions about the distribution of resources to Health Boards.

3. This allocation is made under:

   - Section 174 of the National Health Service Act 2006 and the amounts payable to the Assembly in respect of depreciation charges under section 174(10). The powers are conferred directly on Welsh Ministers.

   - Section 70 of the Government of Wales Act 2006

Action

4. Health Boards are expected to develop robust plans to deliver against the priorities for 2026-27 set out in the NHS Wales Planning Framework from within this allocation. The deadline for submission of the plans for 2026-27 is 31st March 2026. This is the baseline allocation and any additional funding if available for key priorities will be allocated as appropriate on an in-year basis. Funding for the following issues is being held centrally until the amounts required for 2026-27 are confirmed:

   - Revenue funding for SIFT and Research and Development will be issued as direct funding to the relevant Health Boards and NHS Trusts. Depreciation funding for these funding streams is included in this allocation.

   - Allocations for accelerated depreciation, AME depreciation for donated assets, IFRS 16 depreciation, and DEL and AME impairments will be issued as direct funding to the relevant Health Boards, SHAs and NHS Trusts. This also applies to any increases in depreciation related to approved schemes with confirmed strategic support.

   - IFRS16 will continue to be managed on an in-year basis, to include the revenue recoveries, depreciation adjustments and any associated capital funding. Organisations are expected to strengthen their plans and delivery of IFRS16 schemes.

   - Funding will be held centrally to recognise the impact of NICE mandated Advanced Therapeutic Medicinal Products (ATMPs).

   - Funding will continue to be held centrally to fund the costs of purchasing cystic fibrosis medicines Orkambi and Symkevi and to maintain access to Kalydeco.

- Funding for education and training in 2026-27 will continue to be provided directly to Health Education and Improvement Wales (HEIW).

- As in previous years, funding for NHS pay awards in 2026-27 will be held centrally and allocated to employers once awards are agreed. As agreed in the Draft Budget for 2026-27, plus the budget deal agreed with Plaid Cymru (as part of the Final Budget for 2026-27) funding for a pay award assumption is being centrally held in Welsh Government, based on the latest OBR forecasts of pay growth in 2026-27.

- Genomics spend will be monitored centrally and any additional impact for 2026-27, over and above 2025-26 baseline allocations will be dealt with as an in-year matter.

- Hospice funding of £3 million will be retained centrally pending the outcome of the Hospice Commissioning phase 2 work which is scheduled to be completed by April 2026.

- Where applicable, funding for the NHS Wales Shared Services Partnership will be met from Welsh Government central budgets in 2026-27. Adjustments have been made to this allocation for agreed transfers (as set out in Table 3).

- Funding remains centrally held to support the system for standardising CHC information and intelligence on all Wales basis.

- As in 2025-26, funding to cover the increased 9.4% employer's contribution for the NHS Pension Scheme will be held centrally in 2026-27.

- £20 million is being retained centrally within Welsh Government to support access targets once stipulated criteria has been met in 2026-27.

GENERAL POLICY FRAMEWORK

Unified budgets

5. This document sets out the revenue & discretionary capital allocations to Health Boards for 2026-27.

6. Health Boards are responsible for managing the totality of their budget and making the best use of all available resources. The only restrictions to virements between different allocations relate to ring fenced HCHS services (see Table B), the totality of the GMS contract and elements of the Dental Contract (see Table C and F and the explanatory notes enclosed).

7. The 2026-27 allocation comprises:

    - Summary: Revenue

    - Hospital and Community Health Service (HCHS) and Prescribing Revenue Discretionary Allocation (Tables A1, A2 and A3)

- HCHS Protected and Ring-fenced Services (Table B1)
- HCHS Directed Expenditure Allocations (Table B2)
- General Medical Services Contract Allocation (Table C)
- Community Pharmacy Contract (Table E)
- Dental Contract (Table F)
- Memorandum Tables (Tables 1 to 6)

8. For Hospital and Community Health Services (HCHS) and prescribing costs, Health Boards are responsible for commissioning services for their resident population for HCHS, with the exception of some cross border flows, (referred to in paragraphs below) and on the basis of registered population for the prescribing element. The GMS Contract allocation is issued on the basis of registered populations, and the Community Pharmacy allocation is issued primarily on the basis of numbers of scripts dispensed within Health Board areas.

Equality Impact Assessments

9. You are reminded of the requirement to ensure you undertake integrated impact assessments of all major spending decisions, including the implementation of efficiency programmes.

10. Health Boards are reminded to ensure compliance with the Welsh Government Code of Practice for Funding the Third Sector, and the requirements of the Well-Being of Future Generations (Wales) Act.

11. You should ensure that any changes in service provision are impact assessed to ensure the Welsh language is fully considered and you should keep a record of the cost of delivering the service in Welsh.

12. Health Boards are reminded that any funding decisions take account of the population needs assessments for care and support needs that were published in 2017, as part of the requirements of the Social Services and Wellbeing (Wales) Act 2014.

HOSPITAL AND COMMUNITY HEALTH SERVICES AND PRESCRIBING REVENUE (HCHSP)

Recurrent Discretionary Allocation (Tables A1, A2 and A3)

13. This provides the total discretionary funding available to Health Boards to fund hospital and community healthcare services and primary care prescribing costs. The distribution of the allocation is derived from the 2025-26 recurrent baseline, with Table A2 for baseline adjustments from 2025-26, and A3 for additional recurrent funding for 2026-27.

14. In the 2025-26 allocation letter, conditionally recurrent funding allocations of £182.1 million remained for Aneurin Bevan £64.5 million / Betsi Cadwaladr £74.6 million / Hywel Dda £43 million, as target control totals were yet to be delivered. **The conditions set out in the letters from Judith Paget 20th October 2023 were achieved for the organisations for 2024-25 and as such this funding has now been built in on a recurrent basis in 2026-27.**

15. £62 million specific organisational funding as a result of a review of distance from target, were issued in the 2025-26 allocation letter (as per the letters issued from Judith Paget to Health Boards on 2 December 2024), with clear and specific conditions attached to these specific funding streams. **The conditions have not yet been delivered, therefore this funding remains conditionally recurrent in 2026-27.**

16. £40 million conditionally recurrent (organisation specific) funding was included in the allocation tables in 2025-26 for Betsi Cadwaladr. **Given the conditions specified have not been achieved to date, this funding remains conditionally recurrent in 2026-27.**

17. 2024-25 Pay mapping allocations have been built in on a recurrent basis (£329.9 million: £298.3 million Health Board funding and £31.6 million for Joint Commissioning Committee (JCC)). The recurrent amounts built in are as per communication from Richard Dudley dated 28th August 2025.

18. Recurrent 2025-26 Pay mapping allocations have been included in the 2026-27 allocation letter in line with the Welsh Government commission issued 3rd December 2025. (£204.345 million: Health Boards funding of £184.401 million / JCC £19.944 million). Funding issued in 2025-26 for Employers NI has also been mapped on a commissioner basis and included on a recurrent basis for 2026-27 (£88.838 million: £80.229 million Health Boards / £8.609 million JCC).

19. Funding has been included for the impact of the 2025-26 Cost Uplift Factor (CUF) for NHS England, which were issued as in year allocations, over and above the core cost inflation (1.77%) in the 2025-26 allocation letter (£4.405 million: £2.133 million Health Board funding and £2.272m for JCC).

20. Allocations issued in year during 2025-26 for Welsh Government policy position on Real Living Wage (Social Care) of £17.918 million, have been baselined for 2026-27. Any financial pressure for the difference between the recently announced National Living Wage and the Real Living Wage, will need to be identified by Health Boards through the 2026-27 planning process.

21. Additional Optometry Contract funding of £1.302 million has been built in on a recurrent basis for the negotiated agreed increase for 2025-26.

22. Previously held ring fenced funding (previously within Table B1) for Planned and Unscheduled Care Sustainability / Planned Care Recovery / Critical Care funding (including JCC and PACU) / Value Based Recovery funding have been moved to discretionary funding based on policy advice to remove the ring-fenced status. This will support an increased focus on core delivery and increasing productivity and outcomes.

23. Recurrent transfers have been built in for the 2026-27 costs of both the Shingles (£6.319 million HCHS & £0.634 million GMS) and Respiratory Syncytial Virus (RSV) immunisation programmes (£0.530 million HCHS & £0.318 million GMS).

24. Further to the top slice adjustments actioned in 2025-26 for the agreed central procurement of Flu vaccines, a further top slice of £0.405 million has been actioned for the additional procurement of vaccines in 2026-27. This procurement continues to be centrally managed by NWSSP in 2026-27.

25. The recent budget deal with Plaid Cymru secured £100m for frontline services for 2026-27. Health Board discretionary allocations have been increased by £90.916m for core cost inflation and unavoidable demand pressures for 2026-27. This equates to a 1.11% increase on the recurrent discretionary allocation, ring fenced (excluding mental health and depreciation) and directed expenditure.

26. This core funding increase is to support health boards with the impact of unavoidable inflationary pressures and inescapable demand growth that are forecast for 2026-27. It is assumed that this funding is applied in full to evidenced inflationary pressures and inescapable demand growth only. There is no discretionary investment reflected within this uplift, and organisations will need to make significant savings in order to deliver and implement financially sustainable plans for 2026-27.

27. As in previous years, Health Boards should continue to take action to reduce all unnecessary and inappropriate variation and reduce waste. Health Boards are expected to implement the actions of national priorities on value and efficiency, implementing the agreed outputs of the national Value & Sustainability Board. Health Boards are also expected to fully implement the priority enablers set out by the Cabinet Secretary in the NHS Wales Planning Framework 2025-2028.

28. The Welsh Government will continue to hold a budget for the Cross Border flow (the difference between the cost of prescribing drug costs via Prescribing Audit Reports (PAR) and the cost of drugs dispensed (excluding (WP10 (HP), as this was included in the recurrent discretionary allocation in 2016-17 (supplementary allocation)).

HCHS Ring Fenced Services (Table B1)

29. The second component of the HCHS allocation is the funding allocated for ring fenced allocations. There is no flexibility about the use of this funding, although Health Boards are free to invest additional funding in these services to meet national priorities.

30. The DEL depreciation budget remains ring fenced and is a non–cash allocation, and reflects the detail issued to health boards 10th May 2023. There are no changes to the recurrent baseline allocations from 2026-27. In year allocation adjustments will be considered as part of the regular non-cash submission process.

31. As advised above, previously held ring fenced funding (previously within Table B1) for Planned and Unscheduled Care Sustainability / Planned Care Recovery / Critical Care funding (including JCC and PACU) / Value Based Recovery funding have been moved to discretionary funding based on policy advice to remove the ring-fenced status.

32. The ring-fenced Palliative Care funding includes £3.208m for Hospices across Wales. This funding should be provided directly to hospices delivering core NHS services. The ring-fence also includes £0.060 million per Health Board for bereavement co-ordination.

33. **£42m remains as a conditionally recurrent ring-fenced organisation specific allocation for performance and transformation for Betsi Cadwaladr, until such time that the conditions in the letter issued from Judith Paget to Health Boards on 2 December 2024 are met.**

34. Funding for Mental Health has increased by £32.586 million; see section below for detail.

35. Genomics allocations have been increased by £3.263 million to baseline 2025-26 approved funding levels.

36. £18.382 million has been built into the ring-fenced allocation for Urgent & Emergency Care Fund (Six Goals funding) (£17.515 million HB funding / £0.867 million for Velindre Trust SDEC funding), which has previously been issued on an in-year basis.

37. As advised in paragraph **25**, the £90.916 million uplift includes an equivalent 1.11% uplift on the ring-fenced allocations (Table B1) (excluding Mental Health and Depreciation amounts) and the Directed Expenditure Analysis (Table B2).

HCHS Directed Expenditure (Table B2)

38. Funding allocation adjustments have been made to the Directed Expenditure table, for agreed items:
    - Velindre NHS Trust LTA (Historic Pay Award);
    - Save a Life Cymru (JCC / WAST);
    - Genomics funding for C&V (up to agreed 25-26 levels);
    - Value Based Healthcare recurrent schemes (HB funding / JCC Elements / Velindre Trust element);
    - Postgraduate Medical & Dental (PGMD) funding (HB funding and Velindre Trust element).

All of the above funding has previously been allocated on an in-year basis.

Healthcare Agreements between Health Boards and with NHS Trusts

39. Health Boards and the Joint Commissioning Committee are expected to pass on an appropriate level of funding for relevant cost increases in Healthcare Agreements for services provided by other Boards and NHS Trusts, equivalent to the additional funding provided to commissioners. With the exception of centrally funded services and any agreed in-year funding, Welsh Government will <u>not</u> be allocating funding for underlying pressures and new cost growth directly to provider organisations, as this is an appropriate requirement for commissioning organisations to discharge.

40. A letter was issued 1st March 2024 from Hywel Jones to all Health Boards setting out the Welsh Government's expectations of the funding flows of funding that supports unavoidable demand and inflationary pressures from commissioners to providers; this principle and expectation continues to apply in 2026-27. The financial values of agreements should be confirmed promptly to enable provider organisations to confirm their Integrated Medium-Term Plans. You are reminded that organisations are expected to reach agreement without the need for arbitration as a key measure of effective relationships between NHS Wales organisations. Given the expectation of system progress on strengthened regional and collaborative working, any arbitration

requirement will be seen as a failure of organisations ability to plan and deliver effective service arrangements. Organisations are to report on the status of obtaining signed agreements via the Financial Monitoring Return process. **For the avoidance of any doubt, the 1.11% uplift for demand and inflation agreed for 2026-27 is expected to unequivocally pass through from commissioners to providers.**

41. Welsh Government will not be able to accept 2026-27 plans for consideration by the Cabinet Secretary for Health & Social Care if any funding agreements have not been finalised and agreed between commissioners and providers. **Health Boards will not be able to assume the 'Core Cost and Demand Uplift for 2026-27' allocation as available funding within final submitted plans without confirmation that agreements are in place with other Health bodies within NHS Wales**. You are required to confirm in writing to Jacqueline Totterdell **by Friday 27th February 2026** that agreements are in place with other Health bodies for 2026-27 in order to assume this funding as part of final plan submissions.

PRIMARY CARE REVENUE

GMS Contract (Table C)

42. Contract negotiations have been finalised for 2026-27, as the agreement reached in 2025-26 was a multi-year deal, including a 5.8% increase to provide financial certainty for practices to invest in workforce expansion, service redesign, and administrative support. This underpins the community-by-design transformation programme, which is being led by the Chief Medical Officer for Wales to deliver and develop more care and services in local communities closer to people's homes and will ensure GPs continue to play a central role in supporting and developing integrated care models.

43. The community-by-design transformation work is a central feature of this year's agreement. The funding for 2026-27 will enable GPs to actively participate in this innovative programme, which aims to reshape primary care services around the needs of local communities. Through collaborative working, we will develop new service models that enhance access, improve outcomes, and ensure care is delivered locally where it is needed most.

44. The allocation tables include all agreed recurrent allocations agreed up to 2025-26, plus the agreed 5.8% increase for 2026-27.

45. A supplementary allocation will be issued when the 2026-27 DDRB negotiations are confirmed.

Community Pharmacy Contract (Table E)

46. Contract negotiations have not been finalised for 2026-27. The Pharmacy allocation is issued at this stage on the same basis as the recurrent 2025-26 allocation.

47. A supplementary allocation will be issued when the 2026-27 contract agreement is confirmed. Details of the total contractual Community Pharmacy Contractual Framework (CPCF) funding and the distribution of funding between core services, enhanced services, quality and workforce elements will be clarified after the supplementary allocation is issued.

Dental Contract (Table F)

48. Contract negotiations have not been finalised for 2026-27. The Dental allocation is issued at this stage on the same basis as the recurrent 2025-26 allocation.

49. The allocation will be re-issued for 2026-27 when contract negotiations have been concluded, and agreement is given for a contractual uplift.

50. Health Boards are reminded that in terms of the ring-fenced Dental Contract budget arrangements will continue as follows for the next year:
    - for Health Boards without two consecutively approved IMTPs, the ring fence will continue for 2026-27;
    - for those Health Boards with two consecutively approved IMTPs, the ring-fence is removed provided they continue to have their IMTP approved; and
    - to continue to ring-fence the Designed to Smile and Gwên am Byth oral health improvement programmes for all Health Boards in 2026-27.

51. We will continue to monitor and review the expenditure analysis provided by Health Boards, and we will make adjustments to ring fenced dental contract allocations should explanation on expenditure be considered inadequate.

52. Dental patient charges were increased 1st of April 2024. No changes were made to dental contract patient charge targets as a result of the increase, and any increased patient charge revenue have been utilised by health boards to offset the current shortfall against the targets set in baseline dental contract allocations. No adjustments have been actioned for 2026-27.

OTHER ISSUES

Capital

53. NHS infrastructure investment comprises strategic schemes delivered through the NHS All Wales Capital Programme. Investments include land and buildings as well as other physical assets including vehicles, medical and digital technology equipment. The investments cover all healthcare settings including acute, primary, community and social care.

54. Discretionary capital is that allocated directly to NHS organisations for the following priority areas:
    - meeting statutory obligations, such as health and safety and firecode;
    - meeting the fabric of the estate; and
    - the timely replacement of equipment.

    See Table 6 for values of baseline discretionary capital funding for 2026-27. Total discretionary capital funding will increase by £12.3m, an increase of 12%.

55. In addition to discretionary capital, capital funding will also be made available specifically as part of the Targeted Estates Fund, and All Wales Capital programme. In addition, ring-fenced funding has also been identified for the continuing delivery of digital investment programmes, equipment & diagnostic replacements, IFRS 16 requirements, and to support delivering improvements in productivity. The detail of

these funding streams will be set out outside of this allocation letter. All approved funding amounts will be agreed with individual organisations based on scheme delivery profiles.

Mental Health

56. Mental health services will continue to be ring fenced in 2026-27. Compliance of individual organisations with the ring-fencing requirement will be monitored on an annual basis. Any organisation whose expenditure on mental health services falls below the ring-fenced quantum will be required to account for the shortfall in expenditure. Table 2 details the total amount of the mental health ring fence, shown by relevant allocation stream. This funding forms a floor, below which expenditure on core mental health services must not fall. This does not exclude mental health services from making efficiencies, but these savings must be re-invested in these services to meet cost increases and new developments.

57. £8.825 million has been added to the ring-fenced mental health allocation in the HB revenue allocation for core costs and demand uplift (equivalent to 1.11%), which provides health boards with additional funding.

58. Funding of £23.761million has been transferred from central budgets for:
    - CAMHS In-reach £5.634 million;
    - Tier 4 CAMHS £1.250 million;
    - 111 Press 2 funding £2.077 million;
    - DoLS & Mental Capacity Act (MCA) funding £2.101 million; and
    - £12.700 million for **Regional Partnership Board** funding for Dementia Action Plan.

59. The mental health elements that are included in the total ring-fenced allocation (primary care prescribing, GMS (QAIF and Supplementary Services) and Other primary care) have been updated (based on the 2023-24 WCR13 (NHS Programme Budgeting detail)).

60. This increases the total Mental Health ring fenced allocation to £863.614 million (in 2026-27). The detail is shown in Table 2 of the allocation, and the corresponding explanatory notes.

Infrastructure SIFT

61. Funding for infrastructure SIFT has been included as a Directed Expenditure Allocation. This funding must be used to support medical undergraduate education, and recipients of this funding will still be required to account for its use as part of the annual SIFT accountability agreements.

Substance Misuse

62. The Substance Misuse allocation remains ring fenced in 2026-27 and the table shows an agreed increase of £0.259 million (equivalent to 1.11%). Funding will be withheld from Health Boards (HB) until confirmation is received from the Chair of the relevant Area Planning Board (APB) that the use of these resources complements the delivery of the

Welsh Government Substance Misuse Delivery Plan 2019-22 (and any subsequent Plan), this should happen no later than 30th June 2026. Welsh Government expects to see evidence of clear joint planning across the HB ring fence and the Substance Misuse Action Fund monies, with HBs taking due regard for their statutory duties and ensuring they contribute to areas of relevant pressures, including prescribing costs and meeting waiting list targets. Further detail is included in the explanatory notes accompanying the allocation.

Public Health (PHW), Health Education and Improvement Wales (HEIW), NHS Performance & Improvement and Digital Health and Care Wales (DHCW)

63. Core funding for the above bodies for 2026-27 are not being issued with this allocation. Separate funding letters will be issued from policy leads in due course, alongside a mandate and remit letter for 2026-27.

Cross Border Financial Flows

64. To reflect cross border commissioning responsibility, Health Boards in Wales have been funded for English residents registered with their GPs and vice versa, in line with the Protocol agreed with the Department of Health & Social Care.

65. The impact of the 2026-27 uplift, above the core uplift provided in this paper, on Health Board plans will be considered once the tariff is published by NHS England.

Queries

66. If you have any queries about this circular, please contact Julie Broughton (0300 025 5747).

67. Further information surrounding specific policy issues and contact details are provided in the explanatory notes.

Contents

HEALTH BOARDS REVENUE ALLOCATIONS 2026-27 – EXPLANATORY NOTES

Table A1: HCHSP: Discretionary Allocation

Column 1 – 2025-26 Recurrent Allocation
This column is carried forward from the 2025-26 Health Board Revenue Allocation.

Column 2 - Baseline Adjustments (Table A2)
These are adjustments to the discretionary HCHSP allocation, sub-totalled at column 26, Table A2.

Column 3 - Additional Recurrent funding (Table A3)
This is the additional recurrent funding to the discretionary HCHSP allocation, sub-totalled at Column 2, Table A3.

Column 4 – 2026-27 Recurrent HCHS and Prescribing Discretionary Allocation (sum of Columns 1, 2 & 3)
This is the sum of Columns 1 to 3 and is the recurrent discretionary HCHSP allocation for 2026-27. It is carried forward to column 1 of the Summary table.

Table A2: Baseline Adjustments (Column 2, Table A1)

Column 1 - Removal of 'Conditionally Recurrent funding 2023-24: Underlying deficit contribution & inflationary increase '
The £336.1 million conditionally recurrent funding (as per the letter from Judith Paget 20th October 2023) was included in the 2024-25 allocation letter. For clarity, the conditional amounts have been removed from the tables and replaced in column 2 as appropriate.

Column 2 Recurrent funding 2023-24: Underlying deficit contribution & Inflationary increase
The allocations for Aneurin Bevan / Betsi Cadwaladr / Hywel Dda have now been built in on a recurrent basis, as conditions of the letters issued now achieved.

Column 3 - Presentational: Removal of 'Conditionally recurrent funding from 2025-26
£40m of the 2024-25 £82m ring fenced funding was transferred to the discretionary allocation for 2025-26. For clarity, the conditional amount has been removed from the tables and replaced in column 4 as appropriate.

Column 4 - Presentational : Addition of 'Conditionally Recurrent funding for 2026-27
Agreed conditionally recurrent funding for BCU, in line with Judith Paget's letter dated 2nd December. £40m was transferred to the discretionary allocation for 2025-26. **The allocation remains recurrent in principle in 2026-27, conditional on progress made in delivering the conditions.**

Column 5 - Presentational: Removal of '2024-25 allocation: Conditional funding (as per Judith Paget's letters 2 December 2024)'
£62m allocations to specific organisations as a result of the distance from target review, in line with Judith Paget's letters to organisations 2nd December 2024, were included as conditionally recurrent in 2025-26, as conditions were yet to be delivered. For clarity, the conditional amount has been removed from the tables and replaced in column 6 as appropriate.

Column 6 - Presentational: Addition of '2024-25 allocation: Conditional funding (as per Judith Paget's letters 2 December 2024)'
£62m allocations to specific organisations as a result of the distance from target review, in line with Judith Paget's letters to organisations 2nd December 2024, were included as conditionally recurrent in 2025-26, as conditions were yet to be delivered. **The allocations remain recurrent in principle in 2026-27, conditional on progress made in delivering the conditions.**

Column 7 - In year: Pay Mapping 2024-25
Funding adjustment issued in-year has been allocated on a recurrent basis, as per communication from Richard Dudley dated 28th August 2025.

Column 8 - In year: Pay Mapping JCC 2024-25
Funding adjustment issued in-year has been allocated on a recurrent basis, as per communication from Richard Dudley dated 28th August 2025.

Column 9 - In Year: Revised 25-26 Cost Uplift Factor (CUF) England
Funding adjustment issued in year has been allocated on a recurrent basis.

Column 10 - In Year: Revised 25-26 Cost Uplift Factor (CUF) England JCC
Funding adjustment issued in year has been allocated on a recurrent basis.

Column 11 – Real Living Wage (Social Care)
Funding uplifts issued in year has been allocated on a recurrent basis.

Column 12 - In year: Pay Mapping 2025-26
Funding adjustment issued in-year has been allocated on a recurrent basis, in line with Welsh Government commission 3rd December 2025.

Column 13 - In year: Pay Mapping JCC 2025-26
Funding adjustment issued in-year has been allocated on a recurrent basis, in line with Welsh Government commission 3rd December 2025.

Column 14 - In year: Employers NIC funding from 2025-26
Funding adjustment issued in-year has been allocated on a recurrent basis, in line with Welsh Government commission 3rd December 2025.

Column 15 - In year: Employers NIC funding from 2025-26 (JCC)
Funding adjustment issued in-year has been allocated on a recurrent basis, in line with Welsh Government commission 3rd December 2025.

Column 16 - Optometry contract reform (2025-26 pay agreement)
This is the 2025-26 pay agreement funding (issued in year), which is to be built in on a recurrent basis.

Columns 17 to 21 - Transfers from Ring Fenced to Discretionary
Funding for Planned and Unscheduled Care Sustainability for 23-24 onwards (£120m)
Recurrent impact of funding for Planned Care Recovery (£49.985m)
Critical care funding (including JCC funding and PACU) (18.704m)
Critical care funding (JCC funding (was for EASC)) (£1.7m)
Value based Recovery (£14m)

Previously held ring fenced funding (previously in Table B1) has been moved to discretionary funding based on policy advice to remove the ring fenced status. This will support an increased focus on core delivery and increasing productivity / outcomes.

Column 22 - Shingles (recurrent transfer of in year funding)
Funding adjustment issued in-year has been allocated on a recurrent basis at 26-27 levels.

Column 23 - RSV (recurrent transfer of in year funding)
Funding adjustment issued in-year has been allocated on a recurrent basis at 26-27 levels.

Column 24 - Topslice for Central Procurement of Flu Vaccines
A further amount has been topsliced from Health Boards has been actioned for the additional procurement in 2026-27 This procurement will continue to be centrally managed by NWSSP in 2026-27.
WG Contact: Vaccination policy team

Column 25 - NHS Wales Shared Services adjustments (Table 3)
Agreed transfer between health boards and NHS Wales Shared Services.

Column 26 – Total Adjustments (Carried forward to Table A1, Column 2)
This is the total of columns 1 to 25 and is carried forward to Column 2 in Table A1.

Table A3: Additional recurrent funding (Column 3, Table A1)

Column 1 – Core Cost and Demand Uplift for 2026-27 (1.11%)
£90.916 million is being allocated to meet core cost and demand pressures for 2026-27. This equates to a 1.11% increase on the recurrent discretionary allocation, the ring-fenced allocation (excluding mental health and depreciation) and directed expenditure. The HCHS funding is distributed using the updated 2026-27 needs-based allocation formula. (See Table 2 for Mental Health Uplift at an equivalent percentage application).

Column 2 – Total Additional Recurrent funding (Carried forward to Table A1, Column 3)
This is the total in column 1 and is carried forward to Column 3 in Table A1.

Table B1: HCHS Protected and Ring-fenced Revenue Allocations for 2026-27

This table details the amounts of the HCHS Allocation which remain ring fenced. This funding must be used for the purposes intended.

Column 1 – Learning Disabilities
This funding remains ring fenced in 2026-27 on the same basis as 2025-26. No additional funding or adjustments have been made.

Column 2 – Depreciation (Table 4 Column 1)
The depreciation budget remains ring fenced. For clarity, the depreciation ring fence includes the allocation made here as well as for any non-recurrent funding that is issued in-year to cover accelerated depreciation, DEL impairments and further support for strategic schemes and baseline pressures. No additional funding or adjustments have been made.

Column 3 – Mental Health Services (Table 2)
This funding remains ring-fenced in 2026-27 on the same basis as 2025-26, plus agreed additional funding. Details of which are included in Table 2.

Column 4 – Palliative Care/ Bereavement/ Hospice funding
This funding remains ring-fenced in 2026-27 on the same basis as 2025-26. This funding should be provided directly to hospices delivering core NHS services.

Column 5 – Genomics for Precision Medicine Strategy (inc new Genetic Tests)
This funding remains ring-fenced in 2026-27. The allocation has been increased by £3.263 million to baseline 2025-26 approved plan recurrent funding.
Health Boards will continue to direct this allocation through JCC in support of the strategy for 2026-27.

Column 6 - Organisation specific funding for performance and transformation
Agreed organisation specific funding for performance and transformation for BCU, in line with Judith Paget's letter dated 2nd December. £40m of the £82m ring fenced funding has been transferred to the discretionary allocation for 2025-26. This funding remains conditional until such time that the conditions of the letter are met.

Column 7 – Regional Integration Fund (RIF)
This funding remains ring fenced in 2026-27 on the same basis as 2025-26. Breakdown of allocation:

- £50 million Transformation fund;
- £78.221 million previous ICF funding (including the £0.244 million)
- £2 million previously allocated Safe accommodation for children with complex high end emotional and behavioural needs;
- £0.280 million previously allocated Transformation programme Engagement funding; and
- £1.4 million previously allocated CYP Emotional Health & Wellbeing funding.
- £1 million Carers Funding.

Column 8 – Further Faster Funding
This funding remains ring fenced in 2026-27 on the same basis as 2025-26. No additional funding or adjustments have been made.

Column 9 - Urgent & Emergency Care
This funding (previously issued in year) has been built into the ring fenced allocation for 2026-27. Conditions on the use remain as in previous years.

Column 10 - Urgent & Emergency Care (Velindre Trust SDEC element)
This funding (previously issued in year) has been built into the ring fenced allocation for 2026-27. Conditions on the use remain as in previous years.

Column 11 - Total 2026-27 HCHS Ring Fenced Allocation
This is the summary of columns 1-10. This amount is taken forward to Column 2, Summary Table.

Transfers from Ring Fenced to Discretionary
Funding for Planned and Unscheduled Care Sustainability for 23-24 onwards (£120m)
Recurrent impact of funding for Planned Care Recovery (£49.985m)
Critical care funding (including JCC funding and PACU) (18.704m)
Critical care funding (JCC funding (was for EASC)) (£1.7m)
Value based Recovery (£14m)

Previously held ring fenced funding (previously in Table B1) has been moved to discretionary funding based on policy advice to remove the ring fenced status. This will support an increased focus on core delivery and increasing productivity / outcomes.

Table B2 – HCHS Directed Expenditure Analysis

This table details Directed Expenditure allocations to specific Health Boards. These amounts are allocated for specific purposes which the Health Board provides on an agency basis etc. The amounts form part of the Health Boards resource limit but are not part of their population-based funding total.

Columns 1 to 44 - Various
These remain as Directed Expenditure Allocations in 2026-27 on the same basis as 2025-26.

Exceptions are:
Column 23 – Genomics - Core Funding for AWMGS
The allocation to C&V has been increased by £0.323m million to baseline 2025-26 approved plan recurrent funding.

Column 45 – Velindre Trust - LTA adjustment (Historic Pay award)
Funding adjustment issued in year have been allocated on a recurrent basis.

Column 46 – Save a Life Cymru programme (JCC / WAST)
Funding adjustment issued in year have been allocated on a recurrent basis, at agreed 26-27 levels.

Column 47 - Value Based Healthcare recurrent schemes (HBs)
Funding uplifts issued in year have been allocated on a recurrent basis, at 26-27 levels.

Column 48 – Value Based Healthcare recurrent schemes (JCC Element)
Funding uplifts issued in year have been allocated on a recurrent basis, at 26-27 levels.

Column 49 - Value Based Healthcare recurrent schemes (Velindre Trust element)
Funding uplifts issued in year have been allocated on a recurrent basis, at 26-27 levels.

Column 50 - Postgraduate Medical & Dental : HB funding
Funding issued relates to new Medical & Dental training posts approved through annual education and training commission plans from 2017 to 2024. These amounts maybe subject to change for further approved posts agreed via future education and training commissioning plans.

Column 51 – Postgraduate Medical & Dental : VT Element
Funding issued relates to new Medical & Dental training posts approved through annual education and training commission plans from 2017 to 2024. These amounts maybe subject to change for further approved posts agreed via future education and training commissioning plans.

Column 52 - Total 2026-27 HCHS Directed Expenditure Allocation
This is the summary of columns 1-51. The amount is taken forward to Column 3, Summary Table.

TABLE C: Revenue Allocation for GMS Contract (Ring fenced allocation)

Contract negotiations have been finalised for 2026-27, as the agreement reached in 2025-26 was a multi-year deal, including a 5.8% increase to provide financial certainty for practices to invest in workforce expansion, service redesign, and administrative support. This underpins the community-by-design transformation programme, which is being led by the Chief Medical Officer for Wales to deliver and develop more care and services in local communities closer to people's homes and will ensure GPs continue to play a central role in supporting and developing integrated care models.

The community-by-design transformation work is a central feature of this year's agreement. The funding for 2026-27 will enable GPs to actively participate in this innovative programme, which aims to reshape primary care services around the needs of local communities. Through collaborative working, we will develop new service models that enhance access, improve outcomes, and ensure care is delivered locally where it is needed most.

The allocation tables include all agreed recurrent allocations agreed up to 2025-26, plus the agreed 5.8% increase for 2026-27.

A supplementary allocation will be issued when the 2026-27 DDRB negotiations are confirmed.

The GMS contract funding envelope remains ring fenced, although Health Boards may invest discretionary funding in GMS Services.

Column 1 – Provisional allocation 2025-26
This column has been carried forward from the 2025-26 allocation letter.

Column 2 – 2023-24 GP Pay / Expenses
Funding adjustment issued in-year has been built in on a recurrent basis.

Column 3 – 2024-25 GP Pay / Expenses
Funding adjustment issued in-year has been built in on a recurrent basis.

Column 4 – In year: Global Sum / PSP List Size Increase 2025-26
Funding adjustment issued in-year has been built in on a recurrent basis.

Column 5 – Shingles (recurrent transfer of in year funding)
Recurrent funding issued in year (at 26-27 agreed level)

Column 6 – RSV (recurrent transfer of in year funding)
Recurrent funding issued in year (at 26-27 agreed level)

Column 7 – 2025-26 GP Pay & Expenses agreement
Recurrent funding issued in year.

Column 8 – 2026-27 agreement - 5.8% increase
Agreement to allocate 5.8% as part of the multi-year agreement reached for investment in workforce expansion, service redesign, and administrative support.

Column 9 – Allocation 2026-27
GMS allocation for 2026-27 (sum of columns 1-8). The amount is carried forward to Column 5, Summary Table.

Contacts for Table C:
Julie Broughton, Finance Directorate 0300 025 5747

Steve Thomas, GMS Policy **0300 025 0757**

TABLE E: Revenue Allocation for Community Pharmacy Contract

Contract negotiations have not been finalised for 2026-27. The Pharmacy allocation is issued at this stage on the same basis as the recurrent 2025-26 allocation.

A supplementary allocation will be issued when the 2026-27 contract agreement is confirmed. Details of the total contractual Community Pharmacy Contractual Framework (CPCF) funding and the distribution of funding between core services, enhanced services, quality and workforce elements will be clarified after the supplementary allocation is issued.

Column 1 – Final allocation for 2025-26
This column has been carried forward from the 2025-26 allocation letter.

Column 2 – In year funding: 2025-26 agreed uplift Community Pharmacy Contractual Framework (CPCF)
Agreed uplift issued in year on a recurrent basis.

Column 3 – Allocation for 2026-27
This is the total of columns 1 and 2. The amount is carried forward to Column 6, Summary Table.

Contact for Table E:
Julie Broughton, Finance Directorate **0300 025 5747**
Andrew Evans, Chief Pharmaceutical Officer **0300 025 9260**

TABLE F: Revenue Allocation for Dental Contract

Contract negotiations have not been finalised for 2026-27. The Dental allocation is issued at this stage on the same basis as the recurrent 2025-26 allocation.

The allocation will be re-issued for 2026-27 when contract negotiations have been concluded, and agreement is given for a contractual uplift.

We will continue to monitor and review the expenditure analysis provided by Health Boards, and we will make adjustments to ring fenced dental contract allocations should explanation on expenditure be considered inadequate.

Column 1 – Start position
This column has been carried forward from the 2025-26 allocation.

Column 2 – In year funding: 24-25 agreed uplift DDRB Pay
Agreed uplift issued in year on a recurrent basis.

Column 3 – In year funding: 2025-26 agreed uplift DDRB Pay (4%)
Agreed uplift issued in year on a recurrent basis.

Column 4 – Allocation for 2026-27
This is the total of columns 1 to 3. The amount is carried forward to Column 7, Summary Table.

Contact for Table F:
Julie Broughton, Finance Directorate **0300 025 5747**

Andrew Pryse, Dental **0300 062 8220**

MEMORANDUM TABLES

Table 1 – Substance Misuse Funding

The Substance Misuse allocation remains ring fenced in 2026-27, with an increase of 1.11% (£0.259m) to the 2025-26 level, totalling £23.578million.

The funding will be withheld from Health Boards (HB) until confirmation is received from the Chair of the relevant Area Planning Board (APB) that the use of these resources complements the delivery of the Welsh Government Substance Misuse Delivery Plan 2019-22 (and any subsequent Plan), **this should happen no later than 30th June 2026**.

Welsh Government expects to see evidence of clear joint planning across the HB ring fence and the Substance Misuse Action Fund monies, with HBs taking due regard for their statutory duties and ensuring they contribute to areas of relevant pressures, including prescribing costs and meeting waiting list targets. Given the uplift in both HB ring fence and APB SMAF revenue your joint planning should focus on the reduction of waiting times and further enhancement of trauma informed services and support. HBs and APBs are reminded that the planning of both the HB ring fence and the APB SMAF revenue grant should be conducted in partnership and that the Welsh Government will expect this to happen in a timely manner. HBs and APBs should develop detailed spending plans with agreed performance and outcomes for all services before submitting this for approval by Welsh Government, these plans should have meaningful budget breakdowns and agreement for effective and transparent monitoring. Where HB request SMAF from the APB the rationale for this requirement over and above the ring fence allocation should be clearly outlined in the submission to the Welsh Government. For further information please refer to the APB SMAF revenue guidance.

Table 2 – Total Mental Health Ring-Fence

This table sets out the ring-fenced funding for Mental Health for 2026-27, which is at the 2025-26 levels, plus additional agreed funding transfers.

Funding of £23.761million has been transferred from central budgets for funding previously allocated on an in year basis:

- CAMHS In-reach £5.634 million;
- Tier 4 CAMHS £1.250 million;
- 111 Press 2 funding £2.077 million;
- DoLS & Mental Capacity Act (MCA) funding £2.101 million; and
- £12.700 million for **Regional Partnership Board** funding for Dementia Action Plan.

In addition, £8.825 million increase (1.11%) for core cost and demand pressures for 2026-27.

The other mental health elements in the total ring fenced allocation (primary care prescribing, GMS (QAIF and Supplementary Services) and Other primary care) have also been updated (based on the WCR13 2023-24 detail).

Health Boards are reminded that this funding forms a floor, below which expenditure on core mental health services must not fall. This does not exclude mental health services from making efficiencies, but these savings must be re-invested in these services to meet cost increases and new developments.
Contact: Adult Mental Health – Sally Hewitt 0300 025 0397

Table 3 – Shared Services Funding
This table sets out the 2026-27 core funding baseline for the hosted Shared Services organisation. The amounts shown against Health Boards have been top sliced from discretionary HCHSP allocations. The NWSSP core allocation will be held as a central budget within HSC and paid directly to the NWSSP (co VT).
Contact: Richard Dudley, Finance Directorate, 0300 025 1688

Table 4 – Depreciation funding
This table sets out the Depreciation funding for 2026-27. This funding remains in the allocation on the same basis as 2025-26.
Contact: Andrea Hughes, Finance Directorate

Table 5 – Recurrent Primary Care Development Funding
This table reflects the recurrent primary care funding already included within the HCHSP discretionary baseline allocation. This funding remains in the allocation on the same basis as 2025-26.

Table 6 - Baseline discretionary capital funding 2026-27
This table reflects the baseline 2026-27 discretionary capital funding allocations for organisations. Formal letters will be issued by the HSC Capital team in due course.

Jeremy Miles AS/MS
Ysgrifennydd y Cabinet dros Iechyd a Gofal Cymdeithasol
Cabinet Secretary for Health and Social Care

Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

NHS Chairs

19 December 2025

Dear colleagues,

Transforming Services to Deliver Better Health and Care **- NHS Wales Planning Framework 2026-2029**

We issue every year a new Planning Framework for the NHS. It's a crucial point in our annual calendar, setting our next priorities. These priorities are Ministerial choices, designed to make services better, and help steer the NHS towards a more sustainable future. And they build upon a fundamental requirement for all health bodies in Wales, which are non-negotiable and never change: to provide safe and high-quality care for all those who need it, within given resources, and sustainably.

I know the context this year is really challenging. I am asking the NHS to keep services safe and make improvements, when financial pressures are significant, demand is increasing, and staff already deliver more every year. But I have great confidence that the NHS will rise to this challenge. Your ambition for improvement is as great as mine, your innovation and creativity are undimmed, and we all know that standing still will not deliver an NHS fit for the future. I am also clear in my expectation that your plans will need to make hard choices and not include many improvements which would otherwise be desirable, outside the six areas of focus set out below.

We have seen some good progress over the past twelve months, and I would like to thank everyone in NHS Wales for their huge efforts and commitment during a challenging time. For example, we have seen a reduction in number of patients waiting over 2 years for planned care treatment and an improvement in cancer waiting times, reduced ambulance handover delays and fewer delays in hospital discharges. It is also good to see that all health boards have plans in place to establish pathfinder Women's Health Hubs by the end of the financial year and that work is underway to deliver a national lung cancer screening programme.

It is important that we build rapidly on this progress to improve people's health and well-being, and ensure patients can access the care they need, where and when they need it.

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We must tackle the challenges of today, whilst at the same time driving forward speedily the transformation which will lead over the longer-term to a more effective and sustainable service, and better health outcomes.

To give you clear and consistent direction for the period ahead, the NHS Wales Planning Framework for 2026-2029 echoes and builds on the previous Framework, and is aligned with the commitments made by the First Minister in relation to planned care, delayed pathways of care and women's health.

We must build on the progress made this year, to deliver the recommendations of the Ministerial Advisory Group on Performance and Productivity and the priorities I set out in my letter of 3 July 2025, *Improving Performance Together*. This Planning Framework reiterates those expectations, and I expect NHS organisations to ensure these are embedded in your planning arrangements.

I am aligning this Framework to financial allocations to health boards. These will help mitigate the impact of unavoidable inflationary and demand pressures on frontline services, but it is a challenging financial settlement, with no discretionary funding for investment I expect health boards to do more to address waste, harm, and variation, in addition to increasing productivity and efficiency.

I am expecting all health bodies to develop and submit plans that achieve financial balance.

My 3-Year Strategic Priorities for NHS Wales

This Framework sets out the strategic priorities that must be delivered by all health boards, and (where relevant) other NHS organisations over the next three years.

The areas on which you must focus are:

- **Timely Access to Care**
- **Population Health and Prevention**
- **Community by Design**
- **Mental Health Access**
- **Women's Health**
- **Quality and Safety**

The minimum delivery expectations under each of these strategic priority areas have been refreshed for 2026-27 and are set out in Annex 1.

The areas of focus remain broadly the same, to provide continuity, though I have chosen to bring together our priorities on quality and safety and to highlight them in this Planning Framework.

Timely Access to Care

We have refreshed our referral to treatment guidance and provided faster access to tests and scans. This means we are reducing the time patients wait for diagnostics, reducing hospital treatment waiting times, especially for those who have been waiting longest and reducing the overall total waiting list. But there is much further to go.

I expect NHS organisations to explore opportunities to strengthen the way in which they communicate with their patients on waiting lists to enable patients to be better informed about their likely waiting times. It can be an anxious and difficult time for patients, and I believe it is important that they are fully engaged in their care, so they know what to expect.

Whilst focusing on those already waiting for treatment, we must also take the opportunity to think differently about how we deliver care in the future by utilising the opportunity we have of integrated health boards and maximising what can be done in primary and community care via Community by Design.

We know there continue to be pressures on our emergency departments and that long ambulance handover waits present significant and avoidable risk of harm to patients. I welcomed the MAG recommendation setting out the need to plan to deliver all handovers within 45 minutes. We have seen progress this year, but I expect health boards to improve patient flow rapidly, so that this expectation is met as standard practice, across all parts of Wales.

Population Health and Prevention

We know we need to improve people's long-term health and reduce health inequalities to improve life expectancy and the well-being of our population. Wales has higher rates of preventable deaths than similar countries. This requires a focus on prevention and earlier intervention in your plans including support for people to quit smoking, live healthier lives and to reduce obesity rates, especially amongst our children and managing chronic diseases such as diabetes. Your plans should also drive an uptake in vaccinations, including childhood immunisation, building on catch up programmes over the last year and reducing vaccine inequity.

In line with Community by Design, the commissioning and provision of health and care services in your area must be based on your population's health needs. I am keen to see population health management approaches reflected in the integrated planning of your services especially at a community level, which will be supported by a national population segmentation and risk stratification tool.

At the population level, Wales will become a Marmot nation to support our work in reducing health inequalities by working locally and nationally in applying the Marmot principles - from early childhood and education to employment, preventing ill-health, housing, and community wellbeing. I am keen to see how you will work with other partners outside the NHS to take forward these approaches,

Community by Design

As well as placing prevention and population health at the core of NHS Wales we must make greater progress with the delivery of integrated services in the community, moving from a hospital by default approach to one of community by design, in particular supporting people with long-term conditions or frailty remain well and receive care in their communities. I expect to see how you plan to co-design these service models with your communities, working with GP practices, other key partners and stakeholders, to deliver integrated services in the community and how you will increase the proportionate spend on primary and community-based services over the course of 2026-29.

We must recognise that rising demand for services and increasing costs mean our social care system remains under pressure. I expect NHS organisations to continue working closely with their key partners to help ensure the care provided is person-centred, compassionate and flexible enough to adapt to an individual's changing needs and it is important that your plans support a collective effort with social care services to avoid unnecessary hospital admission and a further improvement in timely hospital discharge. Alignment with and commitment to delivering Regional Partnership Board plans will be key.

Mental Health Access

We are committed to ensuring there are seamless mental health services, that are person centred and needs-led. Earlier this year the NHS Wales Performance & Improvement Strategic Programme for Mental Health developed guidance, 'Transforming our system to open access mental health support – Supporting Information', setting clear expectations for the remainder of 2025-26. This is aligned to a 'Community by Design' approach and vital in order to continue to improve quality, safety, experience and outcomes, and driving this agenda at pace will place our mental health services in a stronger position to deliver the sustainable services we need to deliver through collaboration. I expect your plans for 2026-29 to build on this and ensure mental health services are shaped in alignment with the Mental Health and Wellbeing Strategy 2025-35 .

Women's Health

Progress over the last year in strengthening women's health services has been encouraging, but we need to do more to address the health inequalities women continue to face. We know there are serious challenges in accessing healthcare, including taboo, stigma and a lack of understanding by others when discussing their health and wellbeing - which can be a barrier to receiving the right help. The Women's Health Plan sets out the improvements required across Wales. I am encouraged by the commitment shown by health boards to establish a pathfinder women's health hub by March 2026. We must build on this to provide women with the care and support they need, as locally as possible and to deliver better outcomes. I am keen to see this reflected in your plans.

Quality and Safety

Addressing harm, waste and unwarranted variation in clinical services must be at the forefront of organisational planning and operational delivery. Your organisations are subject to the Duty of Quality and the Health and Care Standards - and this should shape your decision making. I would like to see this more strongly reflected in your planning and, as a minimum, I would like to see how your organisations are planning to work towards the expectations set out in the Quality Statements, including those for cancer, circulatory diseases, diabetes, and Palliative and End of Life Care.

You should also identify and plan to address clinical services that meet the principles for fragility described in the National Clinical Framework. The variation reported in Quality and Outcomes Framework and National Clinical Audit and Outcome Review Programme should be routinely used, and improvement actions regularly considered as part of your quality assurance and governance arrangements.

Year 1 Delivery Expectations for 2026-27

The minimum delivery expectations set out in Annex 1 highlight those areas of greatest priority and should therefore be the focus of your year-1 plans (2026-2027).

Securing these outcomes should be at the centre of how you use your resources and capacity to speed up delivery within existing resources. Progress in some of these areas will require you to prioritise partnerships with social care. Meeting these expectations will help achieve the improvements in performance and outcomes that we would all wish to see in year 1 of your plans (2026-27). I expect to see continual and consistent improvement towards delivery across all the strategic priority areas over the three years.

Enabling Actions

To support you to deliver against these expectations, I am also setting out a refreshed set of enabling actions (attached as Annex 2) which I am again mandating on the basis of "adopt or justify".

These have been updated to reflect the progress made over the last twelve months and aim to drive forward improvements on a consistent basis and reduce variation. Each has an evidence base to demonstrate improved efficiency and/or outcomes, without driving additional cost. They are the product of work undertaken by the National Strategic Programmes and the Value and Sustainability Board. Several of the enabling actions relate to activity which must be deprioritised and stopped where there is evidence of waste, harm or variation resulting in no (or low) clinical value or effectiveness. Delivering the mandated enabling actions, along with an assessment of the associated productivity, efficiency and/or financial gains must also be reflected in your plans.

I am disappointed that not all the enabling actions for 2025-26 will have been achieved by year end. These are "just do it" actions, and, acknowledging the progress which has been made over the last year, much more must be done to ensure implementation during 2026-27. **I am expecting a clear organisational assessment of the baseline position, and the improvements that you will deliver, by enabling action, to feature as an annex to your plan.**

Your plans must also include an assessment of your progress in delivering the MAG recommendations on performance and productivity and the priorities set out in Improving Performance Together, as well as your commitment to deliver these during 2026-27.

Although this Framework is clear about the national priorities that your plans need to focus on most, I recognise of course that NHS organisations need to commission and/or provide a wide range of services to improve the health of your populations and to meet the strategic objectives of *A Healthier Wales*, within the resources available to you. I trust that your Boards will keep this balance in mind when making decisions and choices in other areas.

As NHS organisations, you are best placed to identify the needs of your local populations, so whilst setting out my expectations for delivery against the 3-year national strategic priorities, Year 1 delivery expectations and enabling actions, I recognise that this means greater flexibility in delivering on other areas. As you develop your plans, it would be helpful to have an open dialogue with you as you consider the options and choices open to you.

Financial Framework

The expectations set out in this Planning Framework should be achieved within existing resources. Delivering the progress required in 2025/26 on enabling actions, as well as cutting the waiting list will improve the effectiveness and sustainability of services on an

ongoing basis. However, we must go further within existing resources to appropriately reduce cost, increase productivity and address variation, whilst improving outcomes.

I expect all health bodies to develop and submit plans that achieve financial balance.

In developing your plans, I emphasise the following:

- New additional funding provided in the allocation letter is to support inescapable demand and unavoidable inflation, in supporting front line services. **It is to be utilised for this purpose only**. I expect plans to be free of discretionary investment.

- My officials have undertaken work to baseline as much funding as possible into core allocations and in return expect health boards to plan on living within that resource.

- I expect a step change in the achievement and consistent delivery of all enabling actions.

- Health bodies will need to ensure clarity and visibility for significant savings in non-core areas and overheads to prioritise front-line services, to ensure that savings and mitigations delivered in 2025/26 are maintained in full on a recurrent basis, and to deliver the savings and cost mitigations that are required to achieve financial balance. No area of expenditure can be exempted from this and the need to increase productivity. The first draft of the NHS Wales total factor productivity model will be provided to health boards over coming months, and I expect all boards to develop clear quantified plans showing how their actions will deliver a quantified productivity gain in 2026/27.

- I expect health bodies to proactively reach agreement on commissioning and providing services across organisational boundaries and strengthened collaboration on a regional basis.

- Your organisations must continue to have the highest levels of strong and effective financial management, that support cost control.

- Given the scale of investment in 2025/26 to address treatment backlogs, with the action on enabling actions, and productivity, a number of areas will have sustainable solutions on a recurrent basis. I am retaining £20m of funding to support a reduction in waiting times in areas of residual challenge. This will be used on a directive basis, only when all opportunities to deliver sustainability and productivity have demonstrably been exhausted. This position will be assessed through the planning process.

- I have taken a decision to invest in GMS services to proactively increase capacity and activity in primary care, closer to home, in support of the expected focus and development of the Community by Design programme. I expect your plans to show how you will shift activity and resource from a secondary care setting into primary and community care.

- There will be an increase in discretionary capital allocations, which is a 12% uplift on the baseline allocation, to support local plans and resilience.

System Leadership and Transparency

This is my second Planning Framework as Cabinet Secretary for Health and Social Care, and I am still amazed by the dedication of our NHS workforce. They are at the heart of all we do for our patients. We must continue to focus, in social partnership, on ways to engage and empower our people to deliver safely, effectively and flexibly.

We must continue to lead with compassion at all levels across the NHS and this involves engaging the workforce. They are the key to delivering the transformation and improvements we all wish to see. I expect to hear how organisations continue to develop their leadership and culture to ensure the safety, health and well-being of their workforce to enable them to deliver, optimise their team effectiveness and improve their services. Clinical leadership is critical to this, directing the NHS to improvement in patients' interest. I have been pleased to see real improvements already in this area, nationally, regionally and locally, and look forward to seeing even more in coming months.

There is more for us to do together to streamline the relationship between the Welsh Government and NHS organisations, so that we can ensure that our data reporting, accountability and other systems are transparent, proportionate and reduce duplication. We have already taken action in some areas, for example the new Public Accountability Meetings, but there is more to do. I think that by engaging more – and more effectively - with our patients and staff, showing transparently what we are doing and welcoming accountability and honest reflection, we embed improvement in our working lives.

I am keen to ensure all parts of our NHS seek continuously to learn from best practice both from within the NHS in Wales and beyond, proactively working together to identify successful innovation – applying a principle of "adapt, adopt or justify". This includes the need to make far greater use of digital innovation. The rewards for patients are huge. We will continue to work with you to ensure a strong national digital architecture.

Regional solutions will be necessary in order to deliver quality, access and levels of care that often cannot be delivered by one organisation alone. Where such challenges exist, I expect your plans to set out tangible regional proposals, showing how your organisations will work together to strengthen services, and maximise the skills and facilities available in your regions to improve patient outcomes.

All organisational planning and delivery must be built upon the domains of improving quality, safety, outcomes and value, supported in turn by robust enabling plans for capital, digital, collaborative working, the NHS workforce, and within available resources.

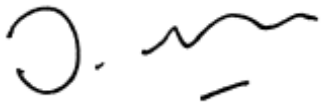
We must not lose sight of the cross-Government priorities such as the refreshed NHS Wales Decarbonisation Strategic Delivery Plan, Anti-Racism Wales Action Plan, Welsh Language and the delivery of priorities in Mwy na geiriau / More than just words to name but a few. In addition, I would naturally expect you to work within the context and principles of the Wellbeing of Future Generations (Wales) Act 2015 and embrace Value Based Health Care to deliver the care we all aspire to on a sustainable basis.

Outcomes that matter to people

We must continue to balance better long-term outcomes with addressing the here and now issues that face our communities, our patients, our workforce and our health and social care system. I am struck by the commitment of your staff working on the front line and delivering care in our communities, and how much making a difference for patients and their families

means to them. Working together I am confident that we can make the improvements we all want to see, and the people of Wales deserve.

Yours sincerely,



Jeremy Miles AS/MS
Ysgrifennydd y Cabinet dros Iechyd a Gofal Cymdeithasol
Cabinet Secretary for Health and Social Care

Annex 1 – Key Delivery Expectations for 2026-27

Strategic Priorities for 2026-29	**Ministerial Delivery Expectations for 2026-27 (where applicable)**
Timely Access to Care	• Ensure no ambulance patient handover waits over 45 minutes • Ensure no patient spend spends 12 hours or more in all major and minor emergency care facilities from arrival until admission, transfer or discharge. • No patients waiting more than 104 weeks for referral to treatment. • Number of patients waiting more than 8 weeks for a specified diagnostic – target zero • Health boards to achieve the suspected cancer pathway target of 75% through implementing the nationally agreed pathways, while reducing the backlog of patients waiting more than 62 days by end of March 2027.
Population Health & Prevention	• Increase the proportion of children in Wales who are a healthy weight by halting the rise, and contributing to a year-on-year decrease in the levels of overweight and of obesity as measured and reported through the National Child Measurement Programme, focusing on those most disadvantaged. • Reduce inequity in the uptake in the most and least deprived areas in preventing ill-health especially in relation to vaccination, screening and diabetes prevention and care. • At least 90% of individuals identified via the Audit Plus Frailty Tool (or its replacement) to receive proactive care in line with their agreed care plans.

	• Increase in % of patients (aged 12 years and over) with diabetes who received all eight NICE recommended care processes.
Community by Design	• Deliver a 12-month reduction trend in both the number of people who are delayed in hospital and the total days delayed for these patients, as measured by the Delayed Pathways of Care dashboard. • Increase in capacity at the weekend of community nursing and specialist palliative care nursing to at least the required levels previously set for 2024/25 and greater where possible. (National requirements and expectations will be specified by the Community by Design Transformation Programme Board)
Mental Health Access	• Implement and evaluate Open Access Mental Health Support by March 2027. • Improve safety in Secondary Care Mental Health services (measured through agreed mental health safety matrix and PROM ReQuol) by March 2027. • Improve Physical Health of People with long term MH problems by carrying out mortality reviews and implementing improvement plans from the learning by March 2027.
Women's Health	• Further expansion of the Women's Health Hub model in each health board area by March 2027 (aligned to the Women's Health Plan) • Improving the quality of our maternity services by reducing peri-natal mortality rates.

Quality and Safety	• Downward trend in 12-month rolling average crude mortality while maintaining a flat 7-day readmission rate. • Days of safe care delivered since the last never event, monitored using SPC T-Chart • Percentage proportion of complaints dealt with via early resolution - target 40% by March 2027 • The clinical coding service must ensure that at least 95% of inpatient and day-case episodes are fully coded within one reporting month of discharge, in line with Welsh Government delivery measures. In addition, 90% of all identified coding errors must be corrected within 35 days of identification, ensuring timely and accurate data quality improvements across all health boards. There must be a focus on quality of coding with an emphasis on specificity, and comorbidity capture demonstrated by an increase in depth index by 10% year-on-year.

Annex 2- Enabling Actions for Delivery in 2026/27

New Actions for 2026/27

Strategic Priority	Enabling Action
Productivity	Health boards to ensure utilisation of the total factor productivity model, and set out the actions and quantified productivity impact that will increase total productivity in 2026/27 from the baseline position.
Mental Health	Health boards to implement actions to deliver a material reduction in the number of out of area placements in 2026/27, and associated costs.

Actions to be rolled over to 2026/27 using the existing definition

Strategic Priority	Enabling Action
Timely Access to Care	Improvement in the implementation and delivery of High Volume Low Complexity Theatre lists, with an initial focus on - Cataract 90% of lists to have 7 Cataracts per list by end of Q2, Arthroplasty 90% of lists to have 4 Primary joints per day and 90% of time achieve at least 6 HVLC General Surgery procedures on an all-day list made up of hernias/gallbladders by end of Q2
Building Community Capacity	Support the implementation and roll-out of the NHS Wales app for maximum impact and benefit to include the uptake of its use for repeat prescriptions.
Maximising Value for Money	Non-Pay - ensure implementation of Value & Sustainability Board recommendations, which includes local implementation of clinically endorsed and mandated product choice to maximise market share and deliver best value.
	Medicines Management - ensure full implementation of the high value medicines Value & Sustainability Board programme, which includes delivering opportunities against each of the programme areas.
	Estate - ensure strengthened actions are taken to improve estate utilisation including the appropriate repurposing & disposal of under-utilised estate.
	CHC - ensure implementation of Value & Sustainability Board recommendations which include continued actions to improve clinical and financial effectiveness associated with packages of care.
Improving Value, Optimising Outcomes, &	Ensure progress with the implementation of Value & Sustainability Board High Value High Impact pathway - Bone Health

minimising Variation	
Workforce Productivity	Ensure effective implementation of job planning policy, to include ensuring that > 90% of all Consultants have an agreed job plan in place at all times by 30 September 2026 and aligned to service demand and capacity plans.
	Continue to deliver a further and sustained reduction in agency expenditure, with a target 30% reduction in 2026/27 from 2025/26 outturn and ensuring no off-contract expenditure.
	Fully implement the actions outlined in the Variable Pay & Agency Control Framework Welsh Health Circular
	Organisations who have achieved a reduction in agency spend on Healthcare Support Worker, Admin & Clerical, and Estates & Ancillary staff to maintain that position. Organisations yet to deliver that position to deliver zero by 30th September 2026.
	Ensure a reduction in sickness absence in 2026/27 in comparison to 2025/26, through maximising adherence to the requirements of agreed attendance at work policies and adhering to the all-Wales Occupational Health minimum service levels.

Actions to be rolled over to 2026/27 with re-defined action definition

Strategic Priority	Newly defined action for 26/27
Timely Access to Care	Ensuring the full implementation of the National Optimal Pathway (NOPs) in Cancer
	Theatre session utilisation is improved to achieve GiRFT standard of 85%- late starts (>15 mins), early finishes (>60 minutes) and overall utilisation are reported as key KPIs to underpin the 85% standard
	Consistent clerical and clinical validation should be in place using the national SOP - any patient waiting greater than 26 weeks should be validated. Volumes of non-admitted closed pathways will be monitored as proxy supported by National Programme team visits
	Each Health Board should see a referral return rate of 20+% and/or a reduced referral rate per 100,000 population by December 2026 - utilising Health Pathways optimally.
	Through effective streaming of patients on arrival at the front door allied to a focus on safe, efficient and early discharges, deliver all ambulance patient handovers within a maximum of 45 minutes, aiming for achievement of >90% in 15 minutes by the end of 2026/2027.

	Deliver, as a minimum, all principles set out in the six goals for urgent and emergency care programme Optimal Hospital Flow Framework with a focus on 7-day working with leaner acute hospital processes and more efficient discharge transport services to facilitate earlier discharges and increasing weekend discharges.
	Deliver medical same day emergency care (SDEC) and acute frailty services at the front door of hospitals in line with all principles set out in national SDEC policy and strategy documents, and the six goals for urgent and emergency care programme *Front Door Acute Frailty Service (AFS) Framework for Acute Hospitals*.
	Deliver, as a minimum, all principles set out in the six goals for urgent and emergency care programme community-based falls response framework and, in support, implement a focus on prevention and early intervention in line with the policy statement on population health management.
	Deliver, as a minimum, all principles set out in the six goals for urgent and emergency care programme single point of access (SPOA) framework to ensure people with urgent care needs receive timely and appropriate support, minimising unnecessary escalation to emergency ambulance conveyance or hospital admission. Prioritise tailored interventions for frail and older adults, scaling up "call before convey" as a business-as-usual model and referrals to community nursing services enabling urgent response. Strengthen integration with key system partners, including WAST and Local Authorities, to deliver coordinated and effective care across the urgent care pathway.
Population Health & Prevention	Ensure progress of the focused Diabetes High Value High Impact pathway
Improving Value, Optimising Outcomes, & minimising Variation	Eradicate unsupported systems and devices and ensure a clear cyber response plan for the organisation.

Appendix 1

Actions not rolled forward from 2025/26

Strategic Priority	Enabling Action	Note
Timely Access to Care	Implementation of CIN follow up criteria both prospectively and retrospectively to established Follow-up waiting lists.	Action completed
	On 90% of days planned care inpatient/day case/theatre recovery capacity should be protected from unscheduled care pressures and outlying of patients by the end of Q1.	Action completed – should now be considered as business as usual
	Ensure monitoring of DNA/CNA rates is in place for every Outpatient clinic. When DNA/CNA as a combined rate is greater than 5%, overbooking additional patients should be implemented and monitored.	Action completed – should now be considered as business as usual
	Implement national guidelines with thresholds by Clinical Implementation Network (CIN) and procedure. This includes delivery of effective outpatients through See on Symptom (SOS) and Patient Initiated Follow-up (PIFU) by default. Individual CINs will establish PIFU / SOS targets by specialty & sub-specialty on an ongoing basis by March 2025.	The action should become BAU but should continue to be monitored through programme and performance meetings
	Deliver improvements in day surgery rates, with an expectation to achieving a BACDS day case rate of 70% from April 2025, moving to 80% by the end of June 2025.	Action completed – should now be considered as business as usual
	Maintaining the actions within the 50 Day challenge that can be delivered consistently with minimal additional resource, within organisations and as a priority within regional partnership arrangements.	Action will be taken forward under OHFF under UEC.
	All new Cataract referrals should be direct listed to treatment stage of the pathway following an admin triage by the end of Q2.	Action completed – should now be considered as business as usual
	Progress implementation of the national approach to Interventions not normally undertaken (INNU) Deliver the 8 priority procedures determined for implementation as part of Phase 1.	Remove and propose performance management via optimisation framework
	Progress implementation of the national approach to Interventions not normally undertaken (INNU) - continue to implement ongoing recommendations throughout 2025/26.	Remove and propose performance management via optimisation framework

	Ensuring full compliance with straight to test guidance	Remove as included in the rolled over Cancer National Optimal Pathway (NOPs in Cancer action
Improving Value, Optimising Outcomes, & minimising Variation	Ensure progress with the implementation of Value & Sustainability Board High Value High Impact pathway - Arthroplasty (Hip & Knee).	Remove and propose performance management via optimisation framework