



<b>Meeting Date</b>	<b>28 October 2025</b>	<b>Agenda Item</b>	<b>5.1</b>
<b>Name of Meeting</b>	<b>Performance &amp; Finance Committee</b>		
<b>Report Title</b>	<b>Risk Management Report – Performance &amp; Finance Risks</b>		
<b>Report Author</b>	Neil Thomas, Assistant Head of Risk & Assurance		
<b>Report Sponsor</b>	Hazel Lloyd, Director of Corporate Governance		
<b>Presented by</b>	Hazel Lloyd, Director of Corporate Governance		
<b>Freedom of Information</b>	Open		
<b>Purpose of the Report</b>	The purpose of this report is to highlight the risks from the Health Board Risk Register (HBRR) assigned to the Performance & Finance Committee (PFC) for scrutiny.		
<b>Key Issues</b>	<ul style="list-style-type: none"> <li>• The Health Board Risk Register was last received by the Committee in July 2025.</li> <li>• Since then, Health Board risk register entries have been circulated to lead Executive Directors monthly for review and update. This report presents an extract of risks from the September 2025 HBRR.</li> <li>• Ten risks are assigned to the Performance &amp; Finance Committee for oversight. Five risks are assessed to meet or exceed the Board risk appetite threshold.</li> </ul>		
<b>Specific Action Required</b> <i>(please choose one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>RECEIVE</b> the updates to the Health Board Risk Register (HBRR) relating to risks assigned to the Committee.</li> <li>• <b>REVIEW</b> the risks exceeding the Board’s stated appetite levels, the associated actions and timescales identified and consider whether further action / assurance is required in respect of any.</li> </ul>		

## **RISK MANAGEMENT REPORT – PERFORMANCE & FINANCE RISKS**

### **1. INTRODUCTION**

The purpose of this report is to highlight the risks from the Health Board Risk Register (HBRR) assigned to the Performance & Finance Committee for scrutiny.

### **2. BACKGROUND**

#### **2.1 Risk Management Framework**

The Audit Committee is responsible for reviewing the establishment and maintenance of an effective system of risk management and providing assurance to the Board in that respect. While this is the case, individual risks have been assigned to other Board committees for more detailed scrutiny and assurance. The intention is that committee work programmes are aligned so that progress made to address key risks is reviewed in depth. Regular risk update reports are submitted to the Board and the committees of the Board to support this.

Executive Directors are responsible for managing risk within their area of responsibility. The Management Board, chaired by the Chief Executive, oversees the overall operation of the risk management framework and the management of risks within the health board risk register.

As part of the resetting of health board risk management arrangements a new Risk Management Group had its inaugural meeting in April 2025. The Group is chaired by the Deputy Chief Executive and reports to the Management Board. It meets monthly and its role includes oversight of the risks within risk registers, and of the escalation and de-escalation of risks between them. The last meeting of the group was in August 2025. In September, Service Groups were asked by Executive Directors to review risks within their operational registers scoring 15 and above. The November meeting of the RMG will be a gateway review meeting at which these risks will be reviewed with Service Group Directors, to inform improved reporting of operational service risks to Committees and Board level, and links to the board-level strategic and corporate risk registers.

#### **2.2 Risk Appetite**

The Health Board approved a risk appetite statement in November 2022, setting out the level of risk the Board is prepared to accept in pursuit of its objectives, according to the categorization of risk. In the context of the financial challenges facing the Health Board, the risk appetite adopted

for most risk categories is described as 'seeking', indicating that risks assessed to be at or above a risk level of 20 will be overseen by the committees of the Board as a minimum on a quarterly basis. However, for the category of compliance risks where the risk relates to laws, regulations and standards directing the delivery of safe, high-quality care, or the health and safety of the staff and public, an 'open' appetite will be adopted, indicating a lower threshold and requiring risks scoring 16 or above to be overseen at committee level.

### 2.3 Health Board Risk Register (HBRR)

The Health Board Risk Register (HBRR) is intended to summarise the greatest organisational risks facing the Health Board and the actions being taken to mitigate them.

Each Health Board risk has a lead Executive Director who is responsible for ensuring there are mechanisms in place for identifying, managing and alerting the Board to significant risks within their areas of responsibility through regular, timely and accurate reports to the Management Board/Executive Team, relevant Board Committees and the Board.

## 3. GOVERNANCE & RISK

### 3.1 Action to Update the HBRR

Health Board risk register entries are circulated to lead Executive Directors monthly for review and updated where required. A consolidated, updated register is circulated to the Executive Team for agreement and final version issued. This report presents the position as recorded within the September 2025 HBRR (which includes updates made in October for some risks).

### 3.2 HBRR Performance & Finance Risks

Ten risks are assigned to this Committee for oversight (see extract attached at **Appendix 1** for detail). The profile of risk scores is presented below:

<b>Risk Score</b>	<b>12 &amp; below</b>	<b>15</b>	<b>16</b>	<b>20</b>	<b>25</b>	<b>Total</b>
Number of Risks Last Report	4	0	1	3	2	<b>10</b>



Number of Risks This Report	4	0	1	4	1	<b>10</b>
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Key movements are:

<b>New Risks</b>	Nil
<b>Scores Increased</b>	Nil
<b>Scores Reduced</b>	HBR50 Access to Cancer Services
<b>Risks De-escalated</b>	Nil

Table 1 below highlights recent changes / actions of note for those risks that are currently meeting or exceeding the thresholds:

Table 1 – HBRR High Risks Assigned to the Performance & Finance Committee

<b>Risk Ref</b>	<b>Risk Description</b>	<b>Current Score</b>	<b>Executive Lead &amp; Key Actions</b>
50 (1761)	<p><b>Access to Cancer Services</b></p> <p>There is a risk of delay in diagnosing patients with cancer, and consequent delay in commencement of treatment, which could lead to poor patient outcomes and failure to achieve targets.</p> <p>The Health Board remains unable to deliver on the target of 75% of patients being treated within 62 days and is currently under targeted intervention by Welsh Government to improve performance. The Health Board has been given an initial</p>	20 (was 25)	<p><b>Lead: Chief Operating Officer</b></p> <p>The score has been reduced from 25, in line with improvements in delivery.</p> <p>Update: Following a review of governance processes for the Annual Plan, cancer monitoring is now included in the Planned Care Board.</p>

Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
	target of 60% to be delivered by the end of Dec-24, increasing to 70% by the end of March 2025		
92 (3444)	<p><b>Forecast Deficit</b> Forecast deficit is not met due to (1) insufficient progress on run rate reduction, (2) the extended saving targets required across all areas to meet the financial assessment submitted to WG on 26th September are not achieved, and (3) 30 other risks within the financial assessment are not mitigated.</p>	25	<p><b>Lead: Executive Director of Finance &amp; Performance</b></p> <p>The score remains unchanged currently.</p> <p>Update: A plan with clear deliverables and milestones to provide assurance on delivery of the 2025/26 Financial Target was submitted to Welsh Government (WG) on 11/09/2025. This was followed with a number of meetings with WG during September. Formal updates on progress will be reported to WG. There has been strengthening of the recovery &amp; sustainability governance and controls aligned to the initial recommendations following work by external partner (Deloitte).</p> <p>Actions:</p> <ul style="list-style-type: none"> <li>• The commissioning of external partner support (Deloitte), in collaboration with Welsh Government, which commenced on 14 July 2025, has been extended</li> </ul>



Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
			<p>(expected to end 31/10/2025).</p> <ul style="list-style-type: none"> <li>• Service Group Directors and Finance Business Partners are required to provide robust forecasts for 2025/26 and recurrently, including savings delivery for Check &amp; Challenge meeting with Director of Finance &amp; Performance. This will support wider assessment of the Health Board forecast to 31 March 2026. Timescales for this are:               <ul style="list-style-type: none"> <li>○ Submission Data from Service Groups (03/11/2025).</li> <li>○ Check &amp; Challenge Meetings (04/11/2025)</li> <li>○ Assessment of wider Health Board position by mid-November.</li> </ul> </li> </ul>
93 (3448)	<p><b>Capital Plan</b> Reduced National NHS funds available for major capital schemes requiring a restricted Capital Plan for 2025/26.</p>	20	<p><b>Lead: Executive Director of Finance &amp; Performance</b></p> <p>The score remains unchanged currently.</p> <p>Update: There are new constraints on the national funding position which is putting pressure on the local in-year capital plan. Decisions made on fixing the in-year CRL (Capital Resource Limit) position on 31 October with WG will need</p>

Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
			<p>to take account of the new unfunded local pressures.</p> <p>Actions ongoing through the year:</p> <ul style="list-style-type: none"> <li>• Routine review and flexing of plan as spending is committed through the year. Routine monitoring processes will identify any potential slippage and will deploy this on risk-based basis.</li> <li>• Examine the specific prioritisation and phasing of capital investment to meet health board objectives through the Capital &amp; Estates Taskforce.</li> <li>• Maintenance of risks through the Capitalisation Prioritisation Group should additional WG funding become available later in the year.</li> </ul> <p>Additionally:</p> <ul style="list-style-type: none"> <li>• Fix in-year CRL position with WG (31/10/2025).</li> </ul>
96 (3571)	<p><b>Failure to Develop an Approvable IMTP (statutory compliance)</b> If we fail to have an approvable Integrated Medium-Term Plan (IMTP) for 2026/27 then we will not meet our statutory duty to</p>	20	<p><b>Lead: Director of Strategy</b></p> <p>The score remains unchanged currently.</p> <p>Update The Annual Plan Oversight Group has been superseded by the Integrated Planning and</p>

Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
	break even and may lose public confidence.		<p>Performance Review Meeting which takes on a quarterly basis and is chaired by the CEO with the purpose of providing formal management oversight to the delivery of the Annual Plan, and to act as a forum for future planning discussions.</p> <p>Actions ongoing:</p> <ul style="list-style-type: none"> <li>• Refresh Clinical Services Plan (31/03/2026)</li> <li>• Recovery and Sustainability Board to continue to focus on savings delivery and now shift to more sustainable approaches in the longer term. A new monthly performance review regime and Executive Team members to oversee thematic savings workstreams and support Service Groups to meet targets (31/03/2026).</li> </ul>
98 (3692)	<p><b>Overall condition/compliance and suitability of Health Board Estate</b></p> <p>6 FACET survey undertaken in 2022 confirmed the poor condition and suitability of premises where health care services are provided. The backlog maintenance costs are in excess of £200 million.</p>	20	<p><b>Lead: Executive Director of Finance &amp; Performance</b></p> <p>The score remains unchanged currently, informed by the level of ability to respond effectively to key health board initiatives and the need to support mental health services and primary and community care services with limited budgets and resources.</p>

Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
	<p>The overall level of controllable risk is affected – compounded – by the resilience of the Health Board’s Health &amp; Safety infrastructure (HBR64 Health &amp; Safety Infrastructure risk) and the level of resourcing of Operational Estates, which influences the adequacy of capacity and capability for responding to priority risk mitigation (HBR92 Reduced Capital Funds risk)</p>		<p>The health board’s latest NWSSP estates audit received a limited assurance due to limited Welsh Government funding available to undertake backlog maintenance and implementation of estates strategy.</p> <p>Reactive maintenance is on-going but on the increase due to more frequent break downs and age of estates infrastructure.</p> <p>Update:</p> <ul style="list-style-type: none"> <li>• Engagement with Welsh Government (WG) will remain ongoing with bids being submitted to WG for funding including end of Oct 2025 bids to be completed 25/26.</li> <li>• Work with WG to source alternative funding solutions will remain ongoing and raised at every WG Capital Resource meeting with understanding of the problems on Mutual Investment Model (MIM) and way forward and roll out to health boards.</li> <li>• Estates review is anticipated to be completed by the end of the financial year with some key resources in place subject to TRAC approvals process. Review of the estates budget is on-going</li> </ul>



Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
			<p>following a paper submitted to Performance &amp; Finance Committee in May 2025 and revised in the context of the health board savings plan. Management are currently implementing some key positions to support business continuity and the savings plan, with appointment internal through the TRAC system. Estates remain reactive to all unplanned works and break downs within limited budgets.</p> <ul style="list-style-type: none"><li>• Update of Asset Register, review of Planned Preventative Maintenance, and implementation of industry standard compliance management model SFG20: Target for completion adjusted to January 2026 following deferred implementation of software package upgrade for SFG20 with the asset register providing a base line on plant condition for replacement / end of life. Soft market testing is complete and management are now working on a value engineering exercise relating to affordability within limited budget / constraints. Estates and</li></ul>

Risk Ref	Risk Description	Current Score	Executive Lead & Key Actions
			Capital location will be centralised from end of October 2025 to support this way of working, ensuring a more proactive approach, with hand over details feeding into the asset register being a live document data base linked to the Estates risk register and linked to impact on business continuity.

Table 2 below lists additional risks assigned to the Committee whose risk levels do not meet the threshold currently set within the Health Board’s risk appetite. However, in line with the Board’s aspiration that thresholds could be reduced in the future, these risks are presented for information:

Table 2: HBRR risks assigned to the Committee that do not currently meet the risk appetite threshold.

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
1 (738)	<b>Access to Unscheduled Care</b> If we fail to provide timely access to Unscheduled Care then this will have an impact on quality & safety of patient care as well as patient and family experience and achievement of targets. There are challenges with capacity/staffing across the Health and Social care sectors. (This risk includes the Emergency	16	<b>Lead: Chief Operating Officer</b>  The score remains unchanged currently.  Update: <ul style="list-style-type: none"> <li>Recent UEC diagnostic demonstrates increased ambulance and ED attendance profile.</li> <li>UEC (Urgent &amp; Emergency Care) Single Point of Access (SPOA) Hub was launched in October 2025 to decrease demand and implement right patient right place process.</li> </ul>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
	<p>Department, Acute Medical Unit and impact in community from ability to release ambulances at both front doors.)</p>		<ul style="list-style-type: none"> <li>• National Clinical Conversation Before Conveyance implemented in line with Six Goals framework.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Focus on reducing pathway of care delays (POCDs) as per the Care Action Committee 50-day Challenge. Update: Initial improvement made through 'Test of Change' and advanced D2RA work, but more recently some deterioration in POCD position – the health board is working with local authority partners to mitigate the risk. Formal agreement has been given to progress to permanent Discharge To Re-Assess (D2RA) Hub (31/01/2026).</li> <li>• Further development of admission avoidance pathways with Welsh Ambulance Services Trust, focussing on Falls prevention and Respiratory conditions: Level 2 Falls service to launch (31/10/2025).</li> <li>• Discharge improvement sprint, focusing on clinically optimised patient (COP) wards, to free up bed capacity/ improve flow across Morriston site (13-23/10/2025).</li> </ul>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
			<ul style="list-style-type: none"> <li>This will be followed by refresh of the Optimal Hospital Flow Framework at Board Rounds via sustainable ward-level discharge coaching and support (October 2025 – March 2026).</li> </ul>
<p>16 (840)</p>	<p><b>Access and Planned Care</b> There is a risk of harm to patients if we fail to diagnose and treat them in a timely way.</p>	<p>12</p>	<p><b>Lead: Chief Operating Officer</b></p> <p>The score remains unchanged currently.</p> <p>The Health Board delivered the 104 week and 52 week waiting time targets at the end of March 2025. This has been sustained during Qtr 1 &amp; 2 of 25/26 – there are no patients waiting over 104 weeks. Current risk score reflects that sustained improved position.</p> <p>Controls Update: Additional internal activity delivered on weekends (via insourcing) is working towards reducing the wait for outpatient appointment to below 26 weeks. Complaints and concerns in respect of waiting times are being monitored to identify issues and trends.</p>
<p>52 (1763)</p>	<p><b>Impact Assessment Requirements</b> The Health Board does not have</p>	<p>12</p>	<p><b>Lead: Director of Insight Communications &amp; Engagement</b></p>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
	sufficient skills and resource in place to undertake integrated equality impact assessments in line with strategic service change and policy development.		<p>The score remains unchanged currently.</p> <p>Update: New Integrated Impact Assessment process has been developed and is being tested across a range of issues. A revised structure has been produced and will be subject to review and sign off.</p> <p>Actions &amp; targets (to be updated during next register cycle):</p> <ul style="list-style-type: none"> <li>• Revised structure within Engagement team to ensure equity, diversity &amp; belonging (EBD) issues are coordinated across the Health Board (30/09/2025)</li> <li>• Revised structure to be agreed and posts appointed to (01/10/2025)</li> <li>• Roll out of Impact Assessment process across the organisation (Training and integration with planning processes across the organisations will be required) (30/09/2025)</li> </ul>
75 (2522)	<p><b>Whole-Service Closure</b> Risk that services or facilities may not be able to function if there is a major incident or a rising</p>	10	<p><b>Lead: Chief Operating Officer</b></p> <p>Risks in relation to major incidents and business continuity are being reviewed and will be</p>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
	<p>tion that renders current service models unable to operate.</p>		<p>reflected afresh as part of the resetting of Board-level risk reporting arrangements.</p>
<p>94 (3516)</p>	<p><b>CAMHS failure to meet required standards of performance</b> The CAMHS service is unable to meet the required level of performance due to workforce deficits in the team across all staff groups including medics, psychological therapies and nursing.</p>	<p>12</p>	<p><b>Lead: Chief Operating Officer</b></p> <p>The score remains unchanged currently.</p> <p>Update: Performance against Part 1B (of the Mental Health (Wales) Measure 2010) will remain a challenge until the backlog of patients waiting over 28 days is cleared. However, there is a recovery plan to support this, and demand &amp; capacity review will help to identify the gap. Agency usage has been reduced since October 2024 (in line with the need to support the Health Board financial position) from 8.4wte to 3.5wte (whole time equivalent staff). However, the continuation of 3.5wte agency use is essential to maintain current capacity/performance levels whilst vacancies are recruited, and new staff are inducted. Current vacancies (2.65wte) are live on TRAC recruitment system.</p>

Some of the risks allocated to this Committee for scrutiny are reported to other Committees for information. These are summarised here for information:

Table 3: Risks Reported to other Committees for Information

<b>HBRR Ref</b>	<b>Risk Detail</b>	<b>Current Risk Score</b>	<b>Committee</b>
1 (738)	<b>Access to Unscheduled Care</b> If we fail to provide timely access to Unscheduled Care then this will have an impact on quality & safety of patient care as well as patient and family experience and achievement of targets. There are challenges with capacity/staffing across the Health and Social care sectors.	16	Quality & Safety
16 (840)	<b>Access and Planned Care.</b> There is a risk of harm to patients if we fail to diagnose and treat them in a timely way.	12	Quality & Safety
50 (1761)	<b>Access to Cancer Services</b> A backlog of patients now presenting with suspected cancer has accumulated during the pandemic, creating an increase in referrals into the health board which is greater than the current capacity for prompt diagnosis and treatment. Because of this there is a risk of delay in diagnosing patients with cancer, and consequent delay in commencement of treatment, which could lead to poor patient outcomes and failure to achieve targets.	20	Quality & Safety
94 (3516)	<b>CAMHS failure to meet required standards of performance</b> The CAMHS service is unable to meet the required level of performance due to workforce deficits in the team across all staff groups including medics, psychological therapies and nursing.	12	Quality & Safety



HBRR Ref	Risk Detail	Current Risk Score	Committee

#### 4. FINANCIAL IMPLICATIONS

There are financial implications to minimising the risks entered on the HBRR in relation to significant revenue implication around strengthening resources in the Health Board, Service Groups and Departments. Capital monies may also be required in relation to supporting the improvements required to improve and where this is the case further detail is provided in the individual entries on the HBRR.

#### 5. RECOMMENDATIONS

Members are asked to:

- **RECEIVE** the updates to the Health Board Risk Register (HBRR) relating to risks assigned to the Committee.
- **REVIEW** the risks exceeding the Board's stated appetite levels, the associated actions and timescales identified and consider whether further action / assurance is required in respect of any.



<b>Governance and Assurance</b>		
<b>Link to Enabling Objectives</b> <i>(please choose)</i>	<b>Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities</b>	
	Partnerships for Improving Health and Wellbeing	<input checked="" type="checkbox"/>
	Co-Production and Health Literacy	<input checked="" type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input checked="" type="checkbox"/>
	<b>Deliver better care through excellent health and care services achieving the outcomes that matter most to people</b>	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input checked="" type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input checked="" type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input checked="" type="checkbox"/>
<b>Health and Care Standards</b>		
<i>(please choose)</i>	Staying Healthy	<input checked="" type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input checked="" type="checkbox"/>
	Staff and Resources	<input checked="" type="checkbox"/>
<b>Quality, Safety and Patient Experience</b>		
Ensuring the organisation has robust risk management arrangements that ensure organisational risks are captured, assessed, monitored and managed, supports the quality, safety & experience of patients receiving care and staff working in the UHB.		
<b>Financial Implications</b>		
This report does not present any matters for decision with financial implications. There may be financial implications arising from actions required to improvement the treatment of risks entered on the HBRR. Where this is the case they are highlighted within individual risk register entries for information.		
<b>Legal Implications (including equality and diversity assessment)</b>		
It is essential that the Board has robust arrangements in place to assess, capture and mitigate risks faced by the organisation, as failure to do so could have legal implications for the Health Board.		
<b>Staffing Implications</b>		
All staff have a responsibility for promoting risk management, adhering to SBUHB policies and have a personal responsibility for patients' safety as		



well as their own and colleague's health and safety. Executive Directors/Service Group Directors are responsible for the review of their operational risks and escalation of those requiring board-level oversight SBUHB.

**Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)**

The HBRR sets out the framework for how SBUHB will make an assessment of existing and future emerging risks, and how it will plan to manage and prepare for those risks.

**Report History**

- This report provides an update on risks allocated to the PFC which were last reported to the Committee in July 2025.

**Appendices**

- Appendix 1 – Health Board Risk Register (HBRR) Risks Assigned to the Performance & Finance Committee