

NHS Wales Executive Annual Accountability Report: 2024/25

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2. INTRODUCTION

The NHS Wales Executive (the Executive) operates as a unique 'hybrid' model, comprising executive team members within Welsh Government, supported by the bringing together of defined National bodies within NHS Wales.

The Executive was established on 1 April 2023 and has a clear role and purpose reiterated by the Cabinet Secretary for Health and Social Care in April 2025 through two missions:

1. Provide support to the NHS in Wales to deliver better services to the public
2. Provide support for the Welsh Government to hold the NHS to account

Delivering these will play an important role in making our healthcare system fit for the future and drive improvements in quality and safety. This will result in better and more equitable outcomes, improved access and patient experience, reduced variation, and improvements in population health.

3. PEOPLE AND ORGANISATIONAL DEVELOPMENT

Our People

2024-25 was another transition year for the NHS Wales Executive with the final national team joining in September 2024 to align and operate as a single entity hosted by Public Health Wales. Our headcount, recorded on the national Electronic Staff Record and exclusive of secondments into the Executive as at 31 March 2025 was 480 reflecting 459 full time equivalent. Opportunities and structures for engagement and communication for and with staff were enhanced, which included improved communication channels and events to develop the role and purpose of the Executive and its organisational values and behaviours.

Developing the NHS Wales Executive

Since the establishment of the Executive, work has been underway to develop and implement a comprehensive Values & Behaviours framework that creates a shared understanding of what the Executive stands for and how it is expected to work and interact — with each other, with stakeholders, and with patients.

The values will act as a foundational guide for culture, decision-making and performance. Over the past few months, the Executive have engaged in a comprehensive process of design and consultation. Through the collaborative process, three core values for the Executive were agreed:

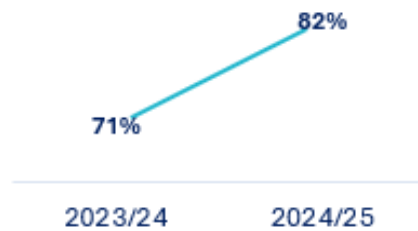
- Collaboration - Encouraging open communication, sharing knowledge, and proactively engaging with colleagues

- Compassion - Demonstrating positive intentions, respecting different perspectives, and offering support.
- Making a difference - Delivering high-quality work, taking accountability, and ensuring accuracy.

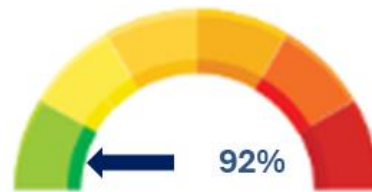
The values and behaviours have begun to be embedded in ways of working, guiding daily interactions and decisions. By embracing these values, the Executive will create a culture of respect, support, and continuous improvement, making it a truly great place to work.

Annual Compliance information

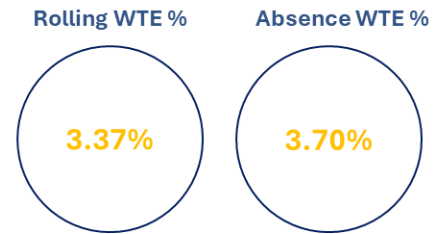
Appraisal



Statutory and Mandatory Training



Sickness



82% of the Executive has a signed off Personal Appraisal Development Review ('PADR'), which is an increase of 11% on this time last year. The Executive will always strive for 100% compliance and work to improve ongoing compliance is being led on a directorate basis with support from the People and OD team including a new SharePoint site and training sessions.

As at 31 March 2025, compliance with statutory and mandatory training was 92%. This remains broadly consistent with last year and continues to be affected by sickness and maternity.

Sickness has an annual rolling average of 3.37%. Sickness is reported via a monthly POD report with episodes logged on ESR and return to work interviews held in line with the Managing Attendance policy.

4. GOVERNANCE AND ACCOUNTABILITY

Structure and Scope of Responsibilities

The NHS Wales Executive operates under a mandate agreed by Welsh Government ministers. It aims to provide strong and consistent leadership and strategic direction, enabling and supporting NHS organisations to transform clinical services in line with national priorities and standards. Welsh Government Ministers set priorities, targets, and outcome measures for the NHS through the NHS Planning Framework.

Public Health Wales hosts the Executive on behalf of Welsh Government, providing core support services and facilities to enable smooth running. These are represented in the hosting agreement and five service schedules.

The allocation of annual budget, setting of objectives, work plan programmes and oversight of the operating model of the Executive is the responsibility of Welsh Government

In 2024-25 a number of national teams formally transitioned to be part of the Executive, these included:

- Six Goals for Urgent and Emergency Care Programme – April 2024
- Strategic Programme for Primary Care – April 2024
- Digital Technology Innovation and Value (including Wales Value in Health Centre) now Value Transformation – April 2024
- TEC Cymru – September 2024

In addition, the Improvement Cymru directorate previously within Public Health Wales, transitioned from operating under a memorandum of understanding between Public Health Wales and Welsh Government, to becoming the Quality, Patient Safety & Improvement Directorate of the Executive from April 2024.

2025-26 will be the first year of full operation for the Executive with the key functions as intended. The only exception to this is the development of a Workforce Delivery Unit in line with the initial intentions. The role and structure for this function remains under review by Welsh Government.

Governance and Assurance

The Executive is accountable to the Chief Executive Officer, Health Social Care and Early Years Group (HSCEYG), at Welsh Government, and hosted by Public Health Wales on behalf of Welsh Government.

A governance and accountability framework is in place, which takes account of the Executive's hybrid governance model. To strengthen the Executive's operational and governance arrangements, a new structure for corporate governance was initiated in 2024-25. An

Assistant Director of Corporate Governance and Business Support was appointed, and a central support team is being created through refocussing the roles of existing staff.

The hosting agreement, signed by all parties requires:-

- A formal meeting at least once a year between the host CEO, host Deputy CEO, Deputy CEO of HSCEYG and Responsible Officer of the Executive to undertake a review of governance arrangements and any particular issues relating to hosting arrangements
- Attendance by the Responsible Officer at the Public Health Wales Audit and Corporate Governance Committee at least annually to provide assurance that the hosted unit is complying with the terms of the hosting agreement; and
- Preparation of an Annual Assurance Statement to include an annual compliance declaration.

The hosted unit has fully complied with these requirements for 2024-25.

The Responsible Officer of the Hosted Unit attended the 8 May 2025 meeting of the Audit and Corporate Governance Committee to present the Annual Assurance Statement, demonstrating compliance with the terms of the hosting agreement.

The Executive are required to adhere to the Public Health Wales Standing Order and Standing Financial Instructions. They provide the regulatory framework for the conduct of the Executive and define the ways of working, together with the range of policies and procedures they make up the PHW Governance Framework. This includes the annual review of the scheme of delegation which is agreed with Welsh Government in line with hybrid structure in March each year. The Operational Delivery Group identified in the structure in figure 2 are responsible for ongoing review of the elements of the scheme of delegation.

The operating model of the Executive is structured to deliver national healthcare priorities effectively and efficiently through five directorates and four national programmes as seen below in fig 1:

Fig 1: Directorate structure



Financial Controls

The overall governance and assurance arrangements support effective financial management controls, the below are specific actions to support delivery of those controls.

Governance Procedures

As previously detailed the Executive operates under the governance Framework of PHW with the Standing Orders for the regulation of proceedings and business, together with the Standing Financial Instructions (SFIs) and the Scheme of Delegation, adopted and translated into day-to-day operating practice.

Budgets and operational plans

Clarity is provided to functions through approved objectives and annual budgets via Welsh Government. Performance is measured against these during the year on a monthly basis.

Reporting

The Executive has a range of financial and performance reports in place to ensure that its effectiveness and associated controls can be monitored, and remedial action taken as and when required.

Enhanced Operating Structure

Work in 2024-25 has focused on enhancing the existing governance to improve ways of working, lines of accountability and assurance with both the Welsh Government and Public Health Wales.

There are new groups within the Executive structure to support effective governance:

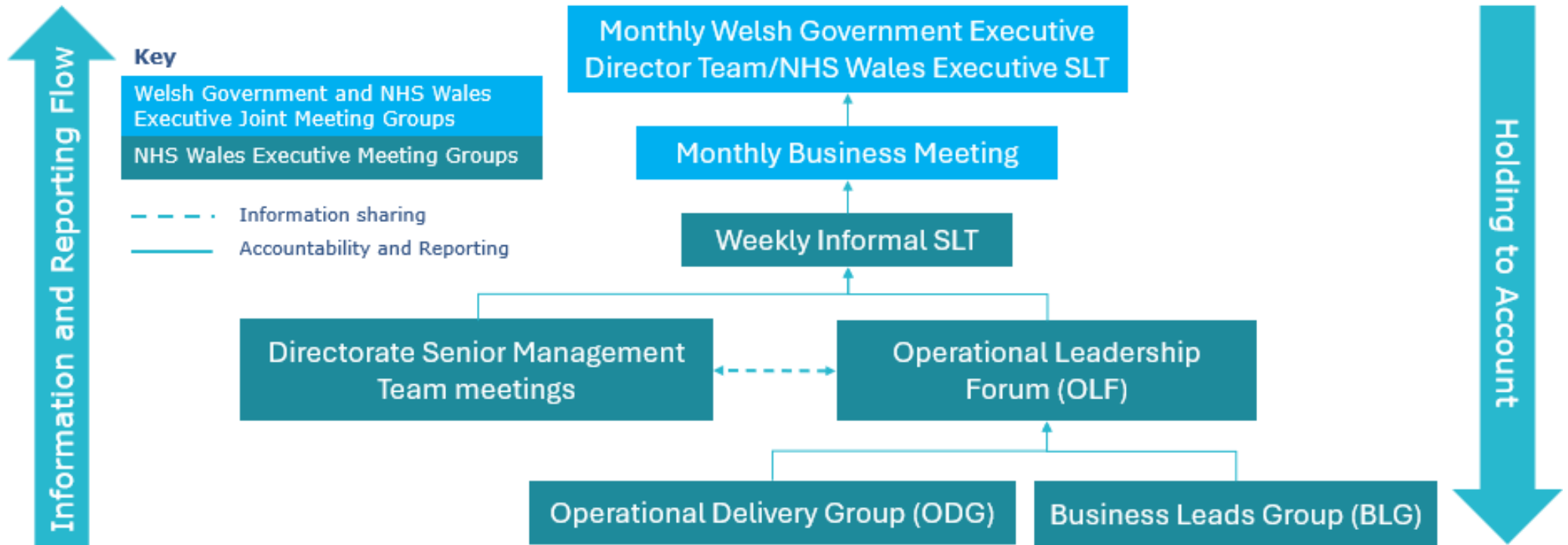
Operational Delivery Group

Provides oversight for the schedules that support the hosting agreement. The group collate any items for discussion with Public Health Wales as the host body and inform compliance reporting.

Business Leads Group

Through bringing together corporate team and directorate representatives, enhances governance and compliance arrangements.

Fig 2 – Governance delivery structure



Openness and Transparency

To support Public Health Wales and the wider NHS Wales in being open and transparent, the Executive in accordance with the Public Bodies (Admissions to Meeting) Act 1960 and the Board approved Protocol for the matters considered in private session provide regular reporting to the Public Health Wales Board and Committees as agreed within the assurance schedule:

Committee	Report Title	Report Period	Report content	Status
Quality, Safety and Improvement Committee	Governance Compliance - QSIC Report 1	1 April 2024 – 30 June 2024	<ul style="list-style-type: none"> Health and Safety National Reportable Incident Reporting Complaints (including PTR if applicable) Claims DATIX Safeguarding 	Complete
	Governance Compliance - QSIC Report 2	1 July 2024 - 30 Sept 2024		Complete
	Governance Compliance - QSIC Report 3	1 Oct 2024 – 31 Dec 2024		Complete
	Governance Compliance - QSIC Report 4	1 Jan 2025 – 31 March 2025		Complete
People and Organisational Development Committee	Governance Compliance - PODC Report 1	1 April 2024 – 31 Aug 2024	<ul style="list-style-type: none"> Equality, Diversity and Inclusion Welsh Language 	Complete
	Governance Compliance - PODC Report 2	1 Sept 2024 – 31 March 2025	<ul style="list-style-type: none"> Equality, Diversity and Inclusion (Bi-Annual) Welsh Language (Bi-Annual) 	Complete
		1 April 2024 – 31 March 2025	<ul style="list-style-type: none"> Raising Concerns Process (Annual) Workforce planning (Annual) Grievances (Annual) 	Complete
Audit and Corporate Governance Committee	Governance Compliance - ACGC Report 1	1 April– 31 July 2024	<ul style="list-style-type: none"> Risk Management Audit Activity Counter Fraud Information Governance Agreements Register (Bi -Annual) Declarations of Interest Register (Bi-Annual) 	Complete
	Governance Compliance - ACGC Report 2	1 August 2024 – 30 Nov 2024	<ul style="list-style-type: none"> Risk Management Audit Activity 	Complete
	Governance Compliance - ACGC Report 3	1 Dec 2024 – 31 March 2025	<ul style="list-style-type: none"> Counter Fraud Compliance Information Governance compliance 	Complete
		1 Aug 24 – 31 March 2025	<ul style="list-style-type: none"> Agreements Register (Annual) Declarations of Interest Register 	Complete

The Executive also provided evidence to several Welsh Government Committee sessions in 2024-25.

Risk Management and Assurance

Embedding Effective Risk Management

Public Health Wales and the new Corporate Governance team in the Executive provide risk management support, advice and training.

In 2024/25 work began on a risk and assurance development programme the milestone achieved in year were:

- Launched the Datix risk management system and migrated the corporate and directorate risk registers onto Datix for more effective oversight and management
- Developed the strategic risk profile alongside the annual plan
- Aligned the new strategic risk profile to the corporate risk register for ongoing monitoring and reporting

Work in 2025/26 will focus on:

- Developing the Executives risk appetite and tolerance levels in pursuit of its strategic goals
- Finalise the Governance Assurance Framework
- Finalise the Strategic Risk and Assurance Framework
- Executive wide training to enhance the horizon scanning and risk management quality approach

Risk Reporting and Monitoring

The EDT/SLT meeting have overall responsibility for ensuring risk is effectively managed within the Executive, but the lead for risk management approaches and processes is the Assistant Director of Corporate Governance and Business Assurance. This means leading on the implementation of the Public Health Wales Risk Management Policy and Procedure including the design and development of local arrangements to ensure the Executive are proactively identifying and managing risk.

The Executive utilises the five x five matrix to calculate the risk score in line with Public Health Wales. Likelihood and Impact of the risk occurring are assessed on a scale of one to five, and then the two scores are multiplied to arrive at the final risk score (between one and 25 with one being the lowest). Risk is considered on a regular basis as per the below schedule:

Risk area	Frequency
Corporate Risk Register	Monthly – Business Meeting and EDT/SLT
Directorate Risk Registers	Quarterly – Business meeting and EDT/SLT
Team Risk Registers	Monthly – Directorate Senior Management Team Meetings

Welsh Risk Pool

The Welsh Risk Pool Services (WRPS) is a risk sharing mechanism, akin to an insurance arrangement, which provides indemnity to NHS Wales's organisations against negligence claims and losses. Individual NHS organisations must meet the first £25,000 of a claim or loss, which is similar to an insurance policy excess charge.

Counter Fraud

In line with the NHS Protect Fraud, Bribery and Corruption Standards for NHS Bodies (Wales), the Local Counter Fraud Specialist (LCFS) and Public Health Wales Executive Director of Finance agreed at the beginning of the financial year an annual work plan approved by the Audit and Corporate Governance Committee. As a hosted body any counter fraud activity for the NHS Wales Executive is reported via the counter fraud team to the Audit and Corporate Governance Committee as part of the Public Health Wales report. There has been no counter fraud activity reported during 2024/25.

Statutory Compliance and additional controls

Areas	2024-25
Well-Being of Future Generations (Wales) Act 2015	The requirements of the Act have been recognised in the development of the Annual Plan and in the development of the new Communications Strategy.
Health and Social Care (Quality and Engagement) (Wales) Act 2020	The Executive provides annual assurance to Public Health Wales on compliance with the Duty of Quality and Duty of Candor. Additionally, the Executive has a national role in providing support for assurance, oversight and compliance with the Act to Welsh Government Health, Social Care and Early Years Group. This has included the development of a national Duty of Candour dashboard, designed and built in collaboration with key stakeholders from across the system. The Beacon system will be a central source of data and information to drive improvement in quality outcomes through the nationally agreed quality measures. Work began in 2024-25 on the Executive Quality Management System Design and Development and will continue into 2025-26.
Civil Contingencies Act 2004	The Executive is required to ensure compliance with the civil contingencies act. Work was initiated to review crisis management and business continuity planning and plans within the Executive with a programme of work planned for completion by August 2025.

Equality Act 2010 (Statutory Duties) and the (Wales) Regulations 2011	<p>Each year the Executive provides input for the Public Health Wales (PHW) Annual Equality and Workforce Report. This includes the work undertaken during this period to advance equality and work with diverse communities where inequalities between different groups have been highlighted. Secondly the report reflects how PHW, as an employer, are meeting the general and specific duties as defined by the Public Sector Equality Duty (2011).</p>
Social Partnership and Public Procurement (Wales) Act 2023	<p>The Executive designs and develops strategy with input from a wide range of stakeholders including staff side representatives, professional bodies and regulators. The Executive also follows the national procurements regulations and works with NHS Wales Shared Services Partnership to deliver socially responsible procurement, putting environmental, social, economic and cultural well-being as part of the primary criteria.</p>
Welsh Language (Wales) Measure 2011	<p>The Executive has a Welsh Language Standards Action Plan, which is used to monitor compliance with the Standards and information from this is fed into the PHW Annual Report on the Welsh Language Standards and the annual update on the More Than Just Words 5-year Action Plan.</p> <p>Staff have access to the Welsh Language Hwb intranet pages for advice, support and guidance.</p> <p>The role of Welsh Language Coordinator in the Executive is fulfilled by the Head of Continuity and Compliance within the newly formed Corporate Governance team</p>
Information Governance	<p>Incidents resulting in a data breach are reported in accordance with PHWs statutory requirements. Under Data Protection legislation, personal data breaches are considered a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data.</p> <p>Personal data breaches are required to be risk assessed to determine the likelihood of the risk to the individuals' affected rights and freedoms. If a risk is likely, under Data Protection, the breach must be reported to the Information Commissioners Office (ICO) within 72 hours. Failure to report could lead to financial or reputational loss. Additionally, those individuals concerned directly may need to be informed where the breach is likely to result in a high risk to the rights and freedoms of individuals.</p> <p>All data breaches are appropriately investigated by the PHW Information Governance team Where appropriate or mandated, Welsh Government are informed as part of a no surprises report.</p> <p>During 2024/25, there was one data breach that met the assessment criteria for reporting to the ICO.</p>

Ministerial Directions	Whilst Ministerial Directions are received by NHS Wales organisations, these sometimes have different implications for the Executive. A Strategic Assessments register has been created to capture the impact assessment of any directions issued by ministers. Ministerial Directions issued throughout the year are listed on the Welsh Government website.
Procurement	Across the year work has focused on identifying areas that require further awareness and training where there were deviation from procurement regulations. There were 12 breaches within the 2024-25 period of which remedial action has been identified.
Additional Controls	<p>There have been a number of new arrangements introduced in 2024-25 to help effective ways of working:</p> <ul style="list-style-type: none"> • Central Agreements Register • Central Asset Register • Register of Interests • Establishment Control Process

Strategy development and work plan/planning arrangements

A single annual plan for the Executive was developed for 2025-26. This provides an overview of the key deliverables for the whole Executive, priorities for each directorate and responds to the requirements of the Welsh Government Planning Framework and Executive remit letter issued by Welsh Government in March 2025.

Internal Audit

There were no audits undertaken in the Executive in 2024-25. The Audit plan for 2025-26 has been developed in collaboration with NHS Wales Shared Services Partnership and was agreed at the Public Health Wales Audit and Corporate Governance Committee.

Conclusion

This Annual Accountability Report details the progress made across 2024-25 and no significant internal control or governance issues have been identified. The Executive will continue to address key risks and embed good governance and appropriate controls throughout 2025-26. The report provides a summary of the steps the Executive is taking to demonstrate that we operate in accordance with the governance standards and the wider standards framework. This report demonstrates the evidence that we comply with these standards and provides a firm basis to build and further develop, and ensure the Executive are well-placed to respond to/meeting expectations from Ministerial Advisory Group recommendations.