



GIG
CYMRU
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WALES

Addysg a Gwella Iechyd
Cymru (AaGIC)
Health Education and
Improvement Wales (HEIW)



Annual report and accounts

2024/25

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Performance report

2024/25

The background features several large, overlapping, semi-transparent blue geometric shapes, primarily triangles and quadrilaterals, arranged in a circular pattern that suggests a globe or a stylized logo. The shapes are in various shades of blue, creating a layered, three-dimensional effect.

Welcome from our Chair and Chief Executive

HEIW continues to mature as an organisation – delivering on our key objectives and supporting delivery of Ministerial objectives. We would wish to put on record our appreciation to our partners – higher education, health boards, Social Care Wales, Welsh Government, regulators and professional bodies.

Over the last year our data and digital capability has grown and is increasingly being used to evidence workforce planning at a granular level. Our work in supporting the NHS Staff survey is bringing more insight across our health organisations and our work on developing senior leadership has seen several key appointments at board and chief executive level. We continue to commission more undergraduate education across the health professions and our post graduate training is also expanding and developing. All this has been delivered within a flat cash position.

We would wish to put on record our thanks and appreciation of all our staff for their expertise and commitment.

HEIW has now been in existence for over 6 years and naturally there has been some turnover of Board Members in recent times as terms of office come to an end and individuals secure new career opportunities.

For the Executive Team this has included the departure of Julie Rogers, the Director of Workforce and Organisational Development and Deputy CEO, who secured a position as CEO of the Healthcare People Management Association. Helen Watkins was appointed as our Director of Workforce and Organisational Development, with Glyn Jones assuming the Deputy CEO role. Professor Push Mangat, was appointed as interim Deputy Chief Medical Director for Welsh Government, and Tom Lawson has undertaken the role of Acting Medical Director over the past year. Ian Mathieson was appointed to a new role of Director of Education Strategy and Transformation, enabling changes to Lisa Llewellyn's portfolio which is now Director of Nursing, Health Professions and Quality.

We have also said goodbye to our longest serving independent member with Gill Lewis coming to the end of her term in January 2025. We must recognise the considerable role that she played in the establishment of the organisation, particularly as the first Chair of our Audit and Assurance Committee. During the year we welcomed Judith Hardisty and Alun Lloyd as new independent members and John Gammon was appointed as Vice Chair



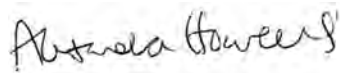
We are grateful for all of our Board members for their support, constructive challenge and continued ambition for the organisation.

We would wish to put on record our thanks and appreciation of all our staff for their expertise and commitment.

The future of our NHS services depends on excellent leadership, highly trained staff and teams able to flex to meet an increasingly digital and technology driven future. We believe access to good training and education is the fundamental building block for services providing great care.



Dr. Chris Jones
Chair
26 June 2025



Alex Howells
Chief Executive Officer
26 June 2025

Chief Executive's Foreword

Overall, HEIW made good progress on delivering our plans and objectives for 24/25, thanks to the professionalism and dedication of our staff and ongoing cooperation of our partners. Many of these are core to the implementation of the Workforce Strategy for Health and Social Care and include:

- Development, and implementation of the annual Education Commissioning and Training Plans, which provide the vehicle for securing the numbers of staff we train in Wales.
- Publication of Strategic Workforce Plans for Genomics and the Nursing Workforce to grow, transform and support the workforce models for the future.
- Continued implementation of the strategic workforce plans for mental health, primary care, pharmacy and dental workforce.
- Embedding the benefits of the National Retention Programme through our communities of practice with Health boards and Trusts.
- Launched a Data and Analytics portal providing NHS staff with instant access to workforce planning dashboards and published workforce analytical reports to inform workforce planning.
- Introduced the Endoscopy Academy for Wales, utilising simulation based learning, as a part of a phased approach to developing a HEIW Clinical Skills Academy.
- Launched the Strategic Framework for NHS Wales outlining how we will help shape the careers attraction agenda.
- Continued expansion and improvement of national leadership development programmes including the Board Induction Programme.

We were pleased that levels of engagement with the second NHS Wales staff survey continued to be high, providing rich insights to help us make HEIW an even better place to work.

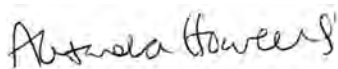
Our first annual quality report was presented to the Board in September 2024, setting out how we are embedding the Duty of Quality across all our functions. We have also been developing a consistent Quality Management System for all of our education and training functions, reflecting the significant link between excellent education and training and excellent quality of care for patients



Proportionate and robust governance are key to enabling delivery of priorities and we have once again this year been able to maintain our effective governance arrangements, reflected by the findings of the internal and external audit reports and the organisation's ability to deliver on its key commitments for 2024/25. The organisation's oversight and escalation arrangements have remained at level 1 (routine arrangements) throughout the year.

Our Integrated Medium Term Plan (IMTP) 2024–27 was confirmed as 'satisfactory' by Welsh Government on 9 August. The IMTP was developed in accordance with Ministerial priorities as outlined within the Welsh Government 2024/25 planning framework which included ministerial priorities. We have also delivered financial balance at the end of this financial year and have eradicated the in year underspends we have experienced in previous years through better data and insights about education commissioning.

We continue to increase our focus on the value that is added through HEIW's functions to ensure that we are being the best possible partner to our NHS colleagues and deliver benefits for the whole system.



Alex Howells
Chief Executive
26 June 2025

Key facts

HEIW –
Special
Health
Authority

All Wales
remit

£351.657m
annual budget
with 85.4%
allocated on
education
and training
commissioning

Over 650
directly
employed staff
– consisting of both
core staff and part
time sessional staff,
each playing a vital
role in supporting
our mission

4668
medical,
pharmacist
and dental
trainers and
supervisors

At any time we are supporting the education, training and CPD of:



c. 4,045

Training grade doctors and staff and associate specialist doctors across:

58

Specialist medical training programmes

11

District GP training schemes

19

Dental training schemes



2,873

Pharmacists

1,781

Pharmacy technicians

234

Pharmacy trainees

832

Pharmacy students

122

Post-registration foundation pharmacists



1,000+

Trainee community nurses



1,711

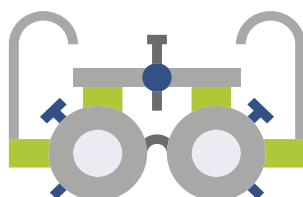
Dentists

3,870

Dental care professionals

179

Dental trainees



1040

Optometrists including c.100 studying in Wales

55

Contact lens opticians

230

Dispensing opticians



c. 700

NHS employee advanced practitioners



568+

Midwifery students



c. 1,776

Allied health professional students



5,100

Nursing students



c. 811

Healthcare scientist students

c. 120

healthcare scientist trainees



c. 502

Healthcare independent prescriber trainees

Who are we?

HEIW is the statutory education body and strategic workforce organisation for NHS Wales.

Vision and purpose

Our vision is **“transforming the workforce for a Healthier Wales”**.

Our purpose is **“as part of the NHS, to work with partners to develop a skilled and sustainable workforce that improves care and population health”**.

As a Special Health Authority, our unique contribution or added value is to address strategic and specialist workforce opportunities and risks that affect workforce demand and supply through our statutory functions.

Our role in developing a sustainable workforce makes a fundamental contribution to the implementation of the Wellbeing of Future Generations (Wales) Act 2015 and the five ways of working. We see this as part of our core purpose, creating the conditions for a sustainable workforce for the future and widening access to health careers and opportunities. HEIW engages with partners and stakeholders to shape education and training opportunities making them more accessible regardless of background or geography.

What we do

The organisation undertakes a wide range of functions, as outlined below, which together help us to achieve and deliver our vision and purpose.

Our functions

Planning, Commissioning and Delivering Education and Training

Leadership, Culture and Succession Planning

Workforce Strategy, Planning and Intelligence

Workforce Development and Transformation

Attraction, Careers and Widening Access

Professional Support for Workforce and Organisational Development

- ▶ **Planning, Commissioning and Delivering Education and Training:** One of our key responsibilities is to plan, commission and train a wide range of professionals who work in NHS Wales. This includes undergraduate and postgraduate education and supporting post-registration development. We have responsibilities that span most healthcare staff working in the NHS across all sectors. We also work in partnership with Welsh Government to widen access to careers in the NHS through the development of apprenticeship frameworks and work-based learning to widen access and develop multi-professional models. Each year we produce an annual Education and Training Plan (ETP) in partnership with NHS Wales. The ETP makes recommendation to Welsh Government for education and training commissions to shape the future healthcare workforce for NHS Wales. This process involves working closely with NHS Wales to identify future workforce requirements, reviewing workforce intelligence and trends, assessing demand and supply issues over the medium-long term and advising on commissioning numbers.
- ▶ **Leadership, culture and succession planning:** We continue to support the development of compassionate and inclusive cultures across NHS Wales through the provision of evidenced-based culture and leadership tools hosted in the HEIW Gwella portal, and through embedding our compassionate leadership principles into all strategic objectives, programmes and interactions. This also includes the All Wales Retention Programme
- ▶ **Workforce Strategy, Planning, and Intelligence:** We provide strategic leadership, resources and support to ensure that NHS Wales can undertake workforce planning. HEIW develops national systems that provide workforce data and intelligence working closely with other national organisations to improve the capture of workforce information. We develop and implement national strategic workforce plans for key professions and services.
- ▶ **Workforce Development and Transformation:** We support workforce transformation and improvement across various health professions and as part of NHS Wales National Programmes to address significant service challenges. This includes skills development, role design, continuous professional development, and career pathway development.
- ▶ **Attraction, Careers and Widening Access:** We promote health careers and drive the widening access agenda to ensure that opportunities to work in the health and care system are available to all. Our aim is to include people in our communities with valuable skills and experience and in particular those who are currently under-represented in our workforce such as people from minority and diverse groups, care experienced young adults and people who have caring responsibilities.
- ▶ **Professional support for workforce and organisational development:** One of our statutory functions is to support the development of the People Profession within NHS Wales. This programme ensures a systematic and structured approach to the development and professionalisation of the People Profession across NHS Wales.

How we do it

Our Culture, Values and Behaviours

As a workforce focused organisation, our culture and the way we do business is very important to us. Our aspiration continues to be a great place to work, recognising that our workforce is distributed across Wales and operates with a hybrid model of working.

We continue to develop our people, inclusion, and organisational development practices to enable us to reach our aspirations. It is critical that we have a motivated, engaged, sustainable workforce that is competent, confident and with the appropriate capacity to help us deliver our priorities. We are keen to support the development of our existing staff, as well as being attractive to new staff as our organisation continues to mature.

We have developed a Compassionate Leadership 'Train the Trainer' programme for colleagues who deliver training and education, ensuring compassionate leadership is embedded into Induction, management development, and medical education, training and appraisal processes.

We continue to promote our vocational based learning offer and have also supported colleagues within the organisation with facilitation and engagement skills.

Other bespoke workshops run throughout the year have included change management, self-compassion based on the 5 ways to wellbeing, overcoming imposter syndrome and thriving together. We have also taken steps to ensure that all those involved in recruitment undertake unconscious bias sessions. This is to ensure that our processes are fair, inclusive and transparent so we can benefit from the diversity and experience of a workforce who are representative of communities across Wales.

In line with our aim to be an exemplar employer, we want our own workforce to be happy, healthy, and engaged, and we promote wellbeing, equality, diversity, inclusion and bilingualism within HEIW, in line with the national *Workforce Strategy for Health and Social Care*. Together with our staff we have developed our organisational values:

Respect for all: in all contact that we have with others.

Together as a team: we will work with partners across NHS Wales and partner organisations.

Ideas that improve: harnessing creativity and continuously innovating and evaluating.

Our Values and Behaviour Framework is on our website at <https://heiw.nhs.wales/about-us>

We continue to embed these values and behaviours into our policies, practices, and processes and take all opportunities to be a role model for the national work we are leading on compassionate and collective leadership.

Effective communication and engagement, including with staff, is critical and has been a top priority since the organisation was established. Our communications and engagement framework outlines several key strategies for communicating and engaging with staff. It emphasises the importance of transparency, collaboration, and alignment with strategic goals.

We are committed to eliminating discrimination and promoting diversity and inclusion through equality of opportunity and through everything that we do. As such, we are fully committed to meeting duties set out in the Public Sector Equality Duties Act (2011), the Anti-Racist Wales Action Plan 2022, the LGBTQ+ Action Plan 2023 and the Workforce Race Equality Standard (WRES). It is also essential that these duties are reflected in the roles of the organisation, which affect students, trainees, and staff across the wider NHS.

We have continued to embed a culture of diversity, equality and inclusion, informed by compassionate leadership, co-production, collaboration, and direct engagement with those who are affected by the decisions we make. HEIW ensures equality of opportunity and recognise that our organisation is greatly

enhanced by the wide range of backgrounds, experiences, views, beliefs, and cultures represented within our workforce. We aim to embrace diversity and proudly acknowledge that variety and difference are intrinsic to the wellbeing and future development of HEIW.

Our Strategic Equality Plan (SEP) sets out our commitment and direction of travel over four years in the way we attract, recruit, retain and develop our HEIW Workforce.

Our commitment to 'Bring Your Whole Self to Work Campaign' has helped create a culture where our workforce is happy, healthy, and engaged and where individual uniqueness and diversity are not only valued but celebrated. This continues to support us in delivering services that reflect the needs of everyone in our community.

We continue to engage with the following external partners and community groups to provide support and guidance of our policies and practices to ensure alignment with national standards in respect of equality, diversity and inclusion:

- The Employers Network for Equality and Inclusion – helping employers build and maintain diverse teams and inclusive cultures.
- Stonewall Diversity Champion – tackling barriers and inequalities faced by lesbian, gay, bisexual, and transgender staff.
- Disability Confident – supporting HEIW to make the most of the talents that disabled people can bring to your workplace.
- Race Council Cymru – working together to promote race equality, justice and integration in Wales.
- Diverse Cymru – committed to supporting people faced with inequality and discrimination
- iLeads leadership Programme
- Wellbeing of Future Generations Leadership Academy

Shape of our Workforce

Our workforce comprises over 650 staff, representing a diverse range of professional backgrounds. This workforce consists of both core staff and sessional staff, each playing a vital role in supporting our mission.

Core staff are those staff for whom HEIW is their main employer. They come from a variety of professional backgrounds including medical, nursing, dental, optometry, pharmacy, allied health professionals and health care science. Additionally, our core staff also includes corporate professions of finance, human resources, communications, workforce planning, leadership and wellbeing, organisational development and digital and IT. Together, they contribute to the smooth operational and strategic development of HEIW.

Sessional staff are individuals who work three or fewer sessions for HEIW and work elsewhere within NHS Wales. These professionals are predominately medical and dental staff who work in health boards, trusts or general or dental practice. Their contributions to HEIW are invaluable, particularly in education and training roles such as heads of training schools for resident doctors or as GP appraisers.

When HEIW was established in 2018, several staff members transitioned from Cardiff University under TUPE arrangements, retaining their original terms and conditions of service. Since then, this number has continued to reduce as individuals pursued new opportunities within HEIW or moved on to external roles. Currently, 17% of our workforce remains on Cardiff University terms and conditions.

Beyond our directly employed staff, we also welcome a number of secondees each year from across within NHS Wales. These individuals bring valuable expertise to HEIW, contributing to specific projects before returning to their original roles, enriched by the knowledge and skill acquired during their time with us.

Attraction, Recruitment and Selection

We continue to actively recruit into new and replacement posts. In addition to the standard NHS recruitment platforms, such as NHS Jobs and Trac Jobs, we have expanded our outreach to the wider community through the Ffair Jobs Compact initiative. This helps

us reach a more diverse pool of candidates. As a result, we attract applicants from both public and private sectors. To support inclusivity, we offer guaranteed interviews for those with disabilities and members of the armed forces community who meet the minimum role requirements. Additionally, we provide reasonable adjustments to ensure an accessible and supportive interview process for disabled applicants.

Our recruitment and selection practices are underpinned by a values-based recruitment and selection policy. This is reinforced by the development of toolkits and training resources designed to support best practices in hiring staff. Recruiting managers have access to specialised training on recruitment and selection, which includes best practices for making effective appointments, enhancing the candidate experience, and addressing unconscious bias. Using the Kirkpatrick evaluation model, we assess the impact of this training at the time of completion and again six months later. Feedback from recruiting managers indicates that applying best-practice approaches has led to hiring individuals with the right skills and experience. Additionally, newly appointed staff have shared positive insights regarding their candidate experience. A broader survey for unsuccessful candidates is currently under review to ensure a holistic and inclusive recruitment process, with results expected in 2025/26.

We regularly review our recruitment and selection processes and actively participate in the NHS Wales Recruitment Modernisation Programme in collaboration with Recruitment Services at NHS Wales Shared Services Partnership.

HEIW Internal Workforce Plan

As part of our People and Organisational Development Strategy, we have initiated the development of a strategic workforce plan for HEIW. This plan aims to ensure that our resources are effectively deployed to meet both our developmental and operational commitments over the coming years. Our focus is on positioning our workforce in the right roles, with the right skills, while maintaining flexibility and agility. This approach will help us achieve a more sustainable balance between workload, quality, and value for money.

Communicating Effectively with People, Stakeholders, Partners and the Public

In March 2025, the HEIW Board approved the HEIW Communications and Engagement Strategic Framework. The Framework is an organisation-wide approach aimed at embedding strategic communication and engagement into all aspects of HEIW's operations. It is designed to improve communication and engagement to achieve HEIW's strategic aims, making it a core responsibility for everyone within the organisation.

The framework focuses on strengthening our internal and external relationships, reinforcing HEIW's role and reputation, and demonstrating its value to NHS Wales and its partners. By enhancing communication and engagement, we aim to deliver greater impact for the NHS, its partners, and the people of Wales. The Board has prioritised this framework, recognising its critical role in achieving HEIW's strategic priorities.

We also engage regularly with over 40 organisations through our [Stakeholder Reference Group](#) (page 68) which is considered in more detail in our Annual Governance Statement.

Data Analytics and Intelligence

Our Data and Analytics Team plays a pivotal role in supporting both HEIW and NHS Wales through their expanding analytical capabilities. The team is composed of various specialised roles, including data scientists, business intelligence partners, data engineers, advanced analysts, and information analysts, all working collaboratively to meet the diverse analytical needs of HEIW and its stakeholders. Their work is integral to HEIW's statutory role and aligns closely with the objectives of Mission Four of the HEIW Digital and Data Strategy, which aims to deliver effective and secure data capabilities that drive actionable insights and intelligence for improvement.

The team's services encompass a wide range of analytical functions, including data ingestion, integration, mapping, survey data analysis, data modelling, and the creation of dashboards and analytical packs. They also respond to information requests and provide

consultancy and advisory services to help stakeholders make data-driven decisions. The team undertakes both internal and external analytical functions, such as producing national workforce reports, providing workforce and pay analytics, supporting national groups with workforce analytics, and conducting supply and demand modelling. Their efforts are crucial in strategic workforce planning and in supporting Welsh Government.

Over the past year, the Data and Analytics (D&A) team has played a pivotal role in supporting decision-making and enhancing workforce effectiveness across NHS Wales. Through the provision of data driven insights and the development of analytical tools, the team has empowered staff at all levels to access and use workforce data to inform evidence based decisions.

A key achievement has been the creation of a suite of dashboards that support workforce planners in analysing population demographics, labour market trends, NHS Wales workforce composition, turnover, and retention. These tools provide critical intelligence to aid workforce management and strategic planning.

One of the most impactful initiatives has been the development of the Nursing Strategic Workforce Supply and Demand Modelling project. This work has enabled the identification of workforce gaps, and the assessment of how potential policy and service change scenarios may affect future supply. These insights have been instrumental in shaping service delivery strategies by providing a clearer understanding of how different interventions may influence workforce capacity.

The team has also played a critical role in working with Staff Survey colleagues. This project involved extensive stakeholder engagement and partnership working to deliver a robust tool for measuring employee satisfaction and engagement. By developing the tool in-house, HEIW was able to deliver insights within a month of receiving the data. This significantly accelerated feedback loops and supported timely action.

In parallel, the integration of artificial intelligence (AI) into workforce planning and management has become a central focus. The D&A team has worked alongside the AI Commission to explore how AI can optimise

healthcare service delivery. These efforts are aimed at increasing productivity, improving efficiency, and ensuring services are more responsive to the needs of the population.

The Workforce Race Equality Standard (WRES) has been another key area where the team has added significant value. Working closely with Welsh Government and health organisations, the team has supported the development and refinement of dashboards and reports that provide critical insights into race equality across the NHS Wales workforce. Constructive engagement throughout the process ensured the final outputs were both meaningful and well received. The D&A team also provided thematic analysis where quantitative data was limited, ensuring the final reports remained rich in insight.

Digital and Information Systems

The Digital Team delivers National Digital Products and Services to NHS Wales, including Digital Learning, and the Digital Capabilities Framework. HEIW Digital is focused on using technology as an enabler to realise true business transformation, delivering productivity gains and efficiencies across the system, demonstrating value and impact in the delivery of its core business.

The Digital Learning system, Y Ty Dysgu provides an online platform for Continued Professional Development (CPD) learning resources and events. Use of the platform has grown to over 26,000 users throughout NHS Wales and has further evolved this year, with an enhanced learning offer and expansion of the platform's functionality. User feedback continues to drive a collaborative continuous improvement approach to the service.

HEIW has set out to replace the postgraduate trainee and resident doctor information system, (Intrepid) with a new solution called Codi, in the first phase of a single unified data architecture that would reduce duplication, enhance administrative processes, and offer real time business intelligence to users. This is a complex and ambitious programme but essential in terms of future proofing and delivery. Although Codi launched on 31 March 2025, on time and within budget, there have been some post launch issues with data quality and system functionality, requiring

enactment of a contingency plan to maintain service at a critical part of the cycle for trainee management. The Codi team has focused on recovery planning and lessons learned from the launch to outline a revised approach and new launch date for Codi in the Autumn.

Uptake of the Digital Capability Framework (DCF) has continued to grow steadily, supported by significant engagement and promotion. A series of articles on each of the DCF domains and a case study showcasing the impact of digital capability training in service delivery improvement in a collaboration between HEIW, Digital Communities Wales and Velindre University NHS Trust have been published through HEIW's communication channels. This year has seen a 64% increase in completion since April 2024.

As well as operating and developing key National products and services, the team implement Digital solutions that support HEIW in meeting its statutory functions. The team has a Digital change and enablement programme that is transforming the way HEIW does business. New collaborative working processes between HEIW, Health Boards and Universities, have been realised through the release of the postgraduate app and the placement data collection app, capturing key data to inform and improve business intelligence.

The team also protects information assets and has developed education and training resources for staff, to further raise awareness of roles and responsibilities. The team has continued to deliver simulation exercises to raise awareness of cyber security risks and help employees recognise malicious emails. HEIW has met the minimum expectation in its submission of the Information Governance toolkit and exceeded in all but 2 expectations which is an excellent result for the organisation.

Staff Health, Safety and Wellbeing

The well-being of staff is of paramount importance, and we strive to ensure that our working environments and practises, both within our homes and in our headquarters, support us in achieving this aim.

We continue to work hard to provide a safe and comfortable working environment in Ty Dysgu taking a proactive approach to health and safety through the Health and Safety

Committee. As an office-based organisation we have an established Display Screen Equipment (DSE) risk assessment process and reasonable adaptations are provided where required. Advice and guidance is provided to staff to enable them to work at home safely including a risk assessment process and the provision of appropriate equipment.

We have taken steps, through the implementation of our Speaking Up Safely Framework, to ensure that staff or anyone involved in our education and training programme has the means and opportunity to raise a concern regarding anything that negatively impacts their experience. HEIW is embedding a culture where concerns are welcomed and seen as an opportunity to improve what we do and how we do it.

We have a strong equality network of individuals across the organisation. As the system leader in staff wellbeing within NHS Wales, we are able to test and promote a wide range of initiatives and resources within HEIW prior to further rollout.

Planning

The Board approved the Integrated Medium-Term Plan (IMTP) for 2024–27 in March 2024. It was submitted to Welsh Government who confirmed that the plan was satisfactory in August 2024.

The IMTP is HEIW's operational plan and sets out HEIW's vision, purpose, and functions in the context of our Workforce Strategy for Health and Social Care, the Ministerial Priorities, and the Wellbeing Goals through the delivery of our 3 strategic aims. The IMTP supports the delivery of the seven themes of the Workforce Strategy. The implementation of the IMTP was reviewed on a regular basis by the Board through the quarterly integrated performance reporting and additional area specific reporting of interest.

Education and Training Plan

The annual Education and Training Plan, developed by HEIW, details the education and training to be commissioned for the NHS Wales health professional workforce together with workforce planning information. Investing in education and training is key to a sustainable workforce pipeline in NHS Wales. It is a core contributor to ensure our health partners have the capacity and capability to deliver high

quality and safe patient, person centred care to people in Wales.

HEIW produced the Annual Education and Training Plan (2025–26) following engagement with stakeholders and submitted this to Welsh Government for Ministerial approval in July 2024, presenting a range of options for consideration given the challenging financial context.

The Education and Training Plan was agreed by Welsh Government at the end of January 2025 based on the option to maintain current commissioning numbers.

A number of important factors were considered when prioritising the recommendations for the Education and Training Plan. These included responding to health service need and employment opportunities, system training capacity and honouring previous education and training plan commitments, ensuring existing students and trainees could continue through their education and training pathways.

Further details on our [Planning](#) can be found in our Annual Governance Statement (page 75).

Student and Trainee Voice

Learner and trainer feedback is an important component of our processes for quality management of education and training. Data is collected via sources such as the General Medical Council national training survey together with HEIW led initiatives to ensure that the voice of our learners are heard. These are detailed below.

The Medical Deanery enhances resident doctor engagement through a range of ongoing initiatives, aimed at strengthening communication streams between resident doctors and HEIW. The Deanery has been focusing on increasing the visibility of the organisation's roles and responsibilities towards resident doctors in Wales, whilst improving the processes for resident doctors to feedback their ideas and concerns to HEIW. The resident doctor think tank has elected two new co-chairs for 2024/25 who are increasing the diversity of representation within the group. The resident doctor think tank has secured regular agenda slots in Medical Deanery senior management team meetings allowing them to directly influence the education and training agenda.

Dental Trainee Forum meetings are held regularly and attended by trainee representatives from each dental training programme as well as members of the Dental Deanery. This forum provides an opportunity for trainees to voice and share concerns outside of the formal training processes.

The Pharmacy Deanery gathers student and trainee voices through a variety of methods both formal and informal. The student voice is captured through end of rotation and end of year evaluations, monthly study days, trainee representative group and curriculum reviews. Views on clinical placements are obtained via workshops and student feedback forms. As part of our Pre-registration Pharmacy Technician Modern Apprenticeship programme the learner voice is captured via a questionnaire, regular two monthly apprenticeship reviews, student feedback and study day evaluation.

The Wales Health Student Forum (WHSF) meets on a quarterly basis and is an innovative group of over 100 healthcare students from across all healthcare courses.

HEIW has also developed a Raising Concerns Toolkit (published 2024) intended for learners and those supporting them to navigate the process of Speaking Up Safely about a concern. The Toolkit was developed to help learners reflect on what they may have witnessed, make sense of thoughts and feelings, decide if a concern needs to be escalated and prepare for next steps. A set of overarching principles on Speaking Up Safely sits alongside the Toolkit which provides comprehensive information and detailed guidance on identifying concerns, raising them appropriately, and fostering a culture where it feels safe to do so.

Governance

As a statutory body, HEIW has a Board consisting of a Chair, Chief Executive, six independent members and four executive directors. In addition to the executive directors, HEIW has two director positions, the Director of Digital, Data and Engagement and the Director of Education Strategy and Transformation. Further information about the Board, its roles and responsibilities can be found in the [Membership of the Board and its Committees](#) section of the Annual Governance Statement (p65).

Declarations of interest: details of company directorships and other significant interests

held by members of the Board which may conflict with our responsibilities are maintained and updated on a regular basis. A register of interest is available in the key documents section of our website at <https://heiw.nhs.wales/about-us/key-documents/> A hard copy can be obtained from the Board Secretary on request.

Organisational Risk and Governance

As an organisation, we adhere to the HEIW Risk Management Policy. We maintain a risk management system which enables and empowers staff to identify, assess and manage risks to HEIW. Strategic and corporate risks are monitored by the Board and managed by the Executive Team and operational risks are managed by teams at the most appropriate level.

Annual Education and Training Commissioning and Quality Meetings

Every year we hold Education and Training Commissioning and Quality meetings with NHS organisations who are Local Education Providers (LEPs), to review the provision of postgraduate medical education. These meetings are held to ensure that the education and training meets General Medical Council (GMC) standards together with HEIW's Expectations Agreement with Local Education Providers. The annual meetings are also a platform to discuss strategic priorities, review progress, and address emerging challenges in healthcare education.

A recurring focus of the 2024/25 meetings was the interplay between educational quality and workforce sustainability. Meeting themes ranged from using feedback to improve the learner experience and foster supportive learning environments, to enhancing support mechanisms and equipping trainers with the resources they need to deliver their roles.

Ongoing development of the multi-professional approach to activity will underpin processes, systems, and governance around co-ordinated commissioning activity. This provides a mechanism to deliver a whole-workforce perspective and develop system-wide responses to concerns and sharing and adoption of best practice in education and training.

This approach provides valuable insights and opportunities to consult with executive

directors and education teams across Wales. This year a key focus area has been the commissioning exercises for Independent Prescribing, Community Nursing, Ultrasound, Enhanced and Advanced Practice, Healthcare Sciences and Mental Health Post-Registration Education.

For pre-and post-registration health professional education, HEIW has formal contracts in place which details expected quality and performance standards of achievement. Three formal business meetings take place with each education provider per annum to ensure contractual quality outcomes are being achieved. These meetings are supplemented by a range of quality and performance measures including monthly data returns, annual reports aligned to the Duty of Quality, student and staff engagement sessions and external reports available including the National Student Survey results.

Further details on [governance, assurance and risk management](#) can be found in the corporate governance report (page 73).

Legal and Policy Context for NHS Wales

Wellbeing of Future Generations (Wales) Act 2015

HEIW is one of eight public bodies that came under the Well-being of Future Generations (Wales) Act on 30 June 2024. The act provides a common and comprehensive framework to support sustainable development.

The application of the act to HEIW is welcomed by the organisation. Our role in education and training places us in an excellent position to contribute to the implementation of the act. The five ways of working are already aligned with our strategic aims, objectives and deliverables within our IMTP 2024–27.

As an organisation we do not have a population health responsibility. However, we collaborate across the system to scenario plan and forecast the workforce demand which informs the commissioning in the annual Education and Training Plan, pivotal to widen access to NHS careers. This significantly contributes to preventing social deprivation, poverty, long-term health, and socio-economic issues in Wales.

Work over the last year has focused on establishing the Wellbeing Objectives for

the organisation. Through extensive social partnership, and alignment with our strategic aims and emerging planning framework, the organisation agreed to the following objectives:

- A flexible and adaptable workforce.
- Embedding compassionate leadership.
- A culture that supports well-being.

Realising these objectives are HEIW's contribution to the Wellbeing of Future Generations Act and covers both our externally facing work as well as our internal enabling work.

Progress during the next financial year will focus on measuring progress against these objectives with quantifiable performance metrics and will be included in the refreshed and revised Performance Management Framework.

Social Partnership Duty

The Social Partnership Duty came into force on 1 April 2024. This Duty places a duty on listed public bodies in Wales, including HEIW, to seek compromise or consensus with their recognised trade unions or other representatives of their staff, when setting well-being objectives (under the Wellbeing of Future Generations Act) and when making decisions of a strategic nature about reasonable steps to deliver those objectives. HEIW's Local Partnership Forum provides the formal mechanism for social partnership within HEIW.

As well as the Wellbeing of Future Generations Act, there are several other legislative and high-level policy drivers which underpin our objectives and work. These include:

10-year Workforce Strategy for Health and Social Care

The [Workforce Strategy for Health and Social Care](#) was published on 22 October 2020. The Workforce Strategy had 32 actions across seven themes identified through substantial research and engagement. The ambition for 2030 is: 'to have a motivated, engaged and valued Health and Social Care workforce with the capacity, competence and confidence to meet the needs of the people of Wales.'

The Social Services and Wellbeing (Wales) Act 2014

This act imposes duties on local authorities and health boards to promote the wellbeing of those who need care and support, or carers who need support and to put in place measures that support a preventative approach

and reduce the need to escalate care. Our ongoing work with Social Care Wales in respect of the second phase of the Workforce Strategy for Health and Social Care is considered further in the [2024/25 Performance Overview by Strategic Aim](#) section of the Performance Report (page 33).

A Healthier Wales

The long-term plan for Health and Social Care embraces the prudent healthcare principles and sets out an ambitious plan for a whole system revolution and provides essential context for all NHS plans going forward. In addition to the Workforce Strategy referred to above, it challenges HEIW, along with other NHS organisations, to develop sustainable plans and actions to deliver care close to home, through strengthening primary and community services, and refocusing on prevention.

Duty of Quality

The duty of quality came into effect on 1 April 2023 as part of the Health and Social Care (Quality and Engagement) (Wales) Act 2020. HEIW embraced this opportunity to establish a consistent organisational approach to quality.

Quality underpins our vision to transform the workforce for a Healthier Wales. As a workforce-focused organisation, our culture and the way we do business are very important to us. We have worked hard to embed quality into all aspect of our work and recognise the need to continuously innovate, evaluate and improve within our core values.

Opportunities have been taken wherever possible to ensure that quality is consistently

integrated within our programmes of work. There has been focused attention on the Health and Care Quality Standards as our quality lens. Detailed work is underway to progress Quality Management System (QMS) development, initially within education and training functions and aligned to the national approach.

HEIW's first annual quality report was presented at the Annual General Meeting in September 2024. We aspire to ensure that quality is integrated across our reporting mechanisms through the lens of the Health and Care Quality Standards. This underpins our commitment to continuously, reliably and sustainably meeting the needs of the population that we serve.

HEIW's Quality Plan was approved by Board in March 2024, with reviews received by the Board on a bi-annual basis. Additional quality updates and reports are provided on a regular basis to appropriate fora within HEIW.

A number of actions from the Quality Plan have been incorporated in the IMTP. This has led to the development of a Quality Enabling Plan in March 2025, with prioritised actions to support delivery of the IMTP. Progress is reported and aligned to the revised Performance Management Framework.

The Education, Commissioning and Quality Committee provides assurance to the Board on whether effective arrangements are in place to plan, commission, deliver and quality manage education systems.

Delivery and Performance Analysis

Our 2024–27 IMTP was developed to deliver the organisation’s three strategic aims and their corresponding strategic objectives, and some of the highlights of the past year are detailed below.

The three strategic aims for 2024/25 are detailed in the table below:

1	Building our Future Workforce – Developing and implementing plans that align the future demand for workforce with supply.
2	Developing our Current Workforce – Transforming today’s workforce to contribute to new models of care which improve quality and safety.
3	Shaping Culture and Leadership in NHS Wales – Embedding compassionate leadership principles to develop cultures that support including, wellbeing and quality.

Performance outcomes and highlights for 2024/25

Some of the key highlights, in respect of the delivery of our IMTP, are outlined below.

Over the past year the National Retention Programme has made substantial progress with more than 45 quality improvement projects undertaken in partnership with NHS organisations, to focus on creating inclusive, supportive working environments for all NHS staff. This has included an important focus on nurse retention reflecting that they represent 40% of the NHS workforce.

The metrics suggest that we are starting to see the benefits. With downward trends being observed in relation to the numbers of staff both leaving NHS Wales and moving between organisations. Whilst this is encouraging, we need to ensure that these benefits are embedded, and that retention becomes a mainstream activity.

Key initiatives included:

- Retention Baseline Tools: new tools to help organisations measure and track improvement efforts.
- Community of Practice: a collaborative network fostering shared learning, innovation and best practices.
- Resource Hub: access to practical tools and resources for enhancing retention strategies.

These efforts are supporting the creation of a

resilient workforce and long-term sustainability for NHS Wales.

Our data and analytics team translate workforce and other related data into easily-digestible insights and information. NHS Wales colleagues can then use it to inform critical healthcare workforce-related decisions and plans. In the past, the team and their resources could only be accessed via email, but we wanted to make it quicker and easier. We have therefore launched the new HEIW Data and Analytics Portal which can be accessed by anyone within NHS Wales using an NHS Wales device. This portal provides instant access to:

- self-service workforce planning dashboards, covering areas such as secondary care, retired and returners.
- published workforce analytical reports links to useful information and guidance.
- opportunities to ask questions or log work requests for dashboards and analytics.

The HEIW Data and Analytics Portal can be accessed by anyone within NHS Wales using an NHS Wales device.

Through workforce modelling we are producing and sharing information about the predicted state and future needs of the NHS workforce in Wales. This information will be used in workforce, strategic, and education and training plans, as well as papers and reports. The first phase of the demand modelling was completed in the Spring for the four nursing groups. Without demand modelling

it would be impossible to know if our current projections of workforce supply are going to meet future demand.

In partnership with Genomics Partnership Wales, HEIW launched the Genomics Strategic Workforce Plan. Genomics will play a crucial role in the future delivery of healthcare, enabling the development of targeted approaches to treatment and patient care. It is designed to build a sustainable and skilled genomics workforce capable of keeping pace with rapid advances in this medical field. The plan also aims to ensure that the wider healthcare workforce has sufficient 'genomics literacy' so that it may be effectively mainstreamed into service delivery. These initiatives are critical to delivering innovative, patient-centred care in Wales.

In January, HEIW approved NHS Wales's first Strategic Nursing Workforce plan. This was developed in response to the needs of the nearly 40,000 nurses working across NHS Wales. With a collaborative, all Wales focus, this plan is set to grow, transform and support the nursing workforce, ensuring that it is equipped to meet the evolving healthcare demands of the Welsh population. The plan is designed to address growing NHS pressures and evolving healthcare needs. It sets out a strategic direction to tackle challenges such as workforce supply, rising care complexity and health inequities, while supporting a shift towards community-based care. It also highlights the role of technology and automation in freeing up time for patient care. The plan was launched at our nursing conference on 17 March in Llandrindod Wells.

The Strategic Mental Health Workforce plan, developed by HEIW and Social Care, aims to develop skills and capacity across health and social care. Since its launch in November 2022 the plan supports cross sector learning opportunities including mental health foundation training, therapeutic approaches and postgraduate courses, across health social care and the voluntary sector. An evaluation report published earlier this year reported that good overall progress was being made in embedding the plan and identified several achievements. These included securing enhanced skills and training, with expanded educational opportunities to improve workforce competence, together with better leadership development

through a focus on building leadership and mentoring capabilities within mental health services. Workforce analysis was also identified as making good progress through the implementation of the plan enabling an improved understanding of workforce behaviour, capacity and future needs.

In partnership with Welsh Government, we have launched a new Board Member Induction Programme. This programme commenced in March with a pilot cohort. Designed for both Executive and Non-Executive Board Members, it provides a comprehensive overview of NHS Wales's values, governance, strategy and leadership. The pilot will be now evaluated to inform a mandatory induction programme for all new Board Members in Wales, funded through flexible use of HEIW resources.

Our multi sector foundation pharmacist training year programme has been accredited by the General Pharmaceutical Council (GPhC). Following a rigorous accreditation process, the registrar of the GPhC announced that the programme met the new Initial Education and Training Standards. We are grateful to our partners for their cooperation and support with the redesign of this programme over recent years. Starting in 2025/26, foundation trainee pharmacists will gain independent prescribing competencies during their training, allowing them to prescribe upon registration, and offering even more opportunities to improve care for patients.

In 2024, HEIW introduced our Endoscopy Academy for Wales as a part of our phased approach to developing a HEIW Clinical Skills Academy. We are building an academy model to develop sustainable endoscopy education and training through a network of linked regional hubs. As well as high quality courses and improving access to hands on training, we are introducing an accelerated training model to reduce the time to certification, enabling earlier entry into the workforce. Courses include the provision of simulation-based education and training to support trainees endoscopists and endoscopy nurses. The simulation-based learning, currently provided at the Keir Hardie Academic Centre (Merthyr Tydfil), is supported by high quality seminar rooms and dedicated clinical laboratory spaces. This has helped to address a backlog of training needs and is having a positive impact on referrals for endoscopy and patient waiting

times. In 2025/26 we want to accelerate this academy model as part of a strategic approach to clinical skills development. This regional hub model will support workforce and service transformation across a range of secondary care services by addressing clinical skills shortages in key areas, enabling more agile ways of upskilling and reskilling the workforce as care delivery requirements change.

In the Spring, HEIW launched the Strategic Framework for NHS Wales Careers. The framework has been developed following research and engagement with partners and outlines how HEIW will help shape the health careers attraction agenda, identifying priorities and setting direction and standards. It highlights how we will work with stakeholders to deliver our collective ambitions. To support this agenda the Framework consists of four key themes:

1. Excellent, accessible, inclusive, age-appropriate approaches, information and resources.
2. Meaningful and inspiring work and work taster experiences across NHS Wales.
3. Access to expert support and guidance including through ambassadors and mentors.
4. Maximising opportunities for digital and technological approaches.

Further detail relating to our performance in implementing our 2024/27 IMTP through the three strategic aims can be found in the performance analysis section of our end of year performance report (Q4 Performance) 2024/25, which can be found in the May Board papers on our website here: [Board and committee meetings - HEIW \(nhs.wales\)](#).

Performance Against the NHS Wales Delivery Framework 2024/25

Given HEIW's unique role as a national organisation in NHS Wales, many of the measures, within the NHS Wales Delivery Framework, do not directly apply. Those that do apply are reported below:

Staff, Training and Development

Delivery measure 36

Percentage of sickness absence rate of staff (12 month rolling).

Outcome:

HEIW: 3.00%

NHS Wales: 6.2% (Oct to Sept 2024)

Delivery measure 38

Agency spend as a percentage of the total pay bill.

Outcome:

HEIW: 0.9%

Delivery measure 39

Percentage of headcount by organisation who have had a PADR/medical appraisal in the previous 12 months (including doctors and dentists in training).

Target – 85% ESR and medical appraisal and revalidation system (MARS).

Outcome:

**HEIW – all Staff: 70.61%

*HEIW – core Staff: 81%

NHS Wales: 73.7% (Jan 2024)

Delivery measure k

(k = Foundational economy; The services and products within the foundational economy provide those basic goods and services on which every citizen relies and which keep us safe, sound and civilised).

Qualitative report detailing evidence of NHS Wales advancing its understanding and role within the foundational economy via the delivery of the Foundational Economy in Health and Social Services 2021/22 Programme. This was sent to Welsh Government in October 2024.

Outcome:

- Local Procurement: Over 90% of HEIW's non-pay spend is with Welsh suppliers, including education commissioning with

local universities and contracts with Welsh SMEs for catering and venues.

- Workforce Inclusion: Expanded internship programmes (including supported internships with Coleg y Cymoedd) have created paid, skill-building roles for local students, including those furthest from the labour market. HEIW also delivers a national graduate management scheme and supports armed forces community recruitment.
- Place-Based Services: *The Endoscopy Academy* is co-located with other services to improve access in underserved communities. Primary care education is expanding through the GP Nursing Programme (34 learners in current cohort), and student placements are increasing across Wales.
- Welsh-Language and Digital Equity: Launched a fully bilingual *Digital Workforce Planning Tool* to support designing services through the medium of Welsh. *Y Ty Dysgu* continues to grow (19K+ users), enabling equitable online education access.
- Leadership in Localisation: A leadership taskforce was created to align training, procurement, and education with Welsh suppliers, reducing reliance on external providers and strengthening the local supply chain.

Delivery measure l

(l = value-based healthcare. Value-based care is underpinned by Prudent Healthcare, first launched as a philosophy and a policy in January 2014. Its key principles of coproduction, equity, intervening gently effectively and – only as much as we need to, and reducing unwarranted variation, including under and over-treatment, are all key to achieving value for our patients and citizens across a whole system of health and social care.)

Report detailing evidence of NHS Wales embedding Value Based Health and Care within organisational strategic plans and decision-making processes.

Outcome:

- Reporting provided bi-annually in progress. Reports submitted in October 2024 and April 2025 to cover the financial year.
- Education Pipelines and Workforce Strategy: Developed education-to-employment

data pipelines to track impact of training investments; supported new roles (e.g. nurse associates) and published the *Strategic Perinatal Workforce Plan* to reduce variation and improve maternity outcomes.

- Procurement and Cost Efficiency: Streamlined conference and event procurement through an All-Wales framework, delivering cost savings and reinvestment into NHS Wales.
- Digital Infrastructure: Progressed *Codi* – a unified trainee management platform consolidating 12 systems – and grew *Y Ty Dysgu*, now with 25.5K users accessing CPD resources.
- Primary and Community Care Education: Expanded *General Practice Nurse Foundation Programme* with over 80 nurses trained across 7 Health Boards; developed multi-professional education frameworks in partnership with Health Boards.

Delivery measure n

Qualitative report detailing the progress of NHS Wales' contribution to decarbonisation as outlined in the organisation's plan.

Work on estimating carbon emissions for 2024/25 commenced in April 2025 and will be completed by September 2025.

Target: 16% reduction by 2030

Outcome: Red.

The red outcome reflects that we are unlikely to achieve the target, but we are working across the system and with procurement colleagues to address more systematic approaches to emissions related to commissioning which is our biggest area of emissions.

Delivery measure o

Qualitative report detailing progress against the priority areas to improve the lives of people with learning disabilities.

Outcome:

- Reporting provided bi-annually in progress- October 2024 and April 2025.
- Workforce Development: HEIW funded and expanded the General Practice Nurse Foundation Programme, embedding learning disability care into training for over 80 nurses to date.
- Placement Quality: An Annual Placement Plan ensures learning disability student nurses receive placements across all sectors, including third sector settings, helping prepare them for diverse care environments.
- Recruitment Campaigns: A 56% increase in LD nursing applications followed HEIW-led promotion efforts, including a Student LD Nurse Ambassador initiative and new PG Dip/MSc pathways to attract graduates.
- Training Infrastructure: HEIW rolled out PBS training across key sites and launched Paul Ridd Foundation LD training on its e-learning platform, with future work-based qualifications planned.
- Equity and Access: HEIW works with education providers to deliver reasonable adjustments for students with disabilities and promote inclusion through bursaries, digital access, and outreach.

*HEIW core staff = staff who work more than 0.3 FTE

**HEIW all staff = core staff + staff who work 0.3 FTE or less

All data in relation to HEIW (except where it relates to the Staff Survey) is based on the detail held at March 2025 or where it is based on a rolling 12-month period, it relates to April 24–March 25.



Performance analysis



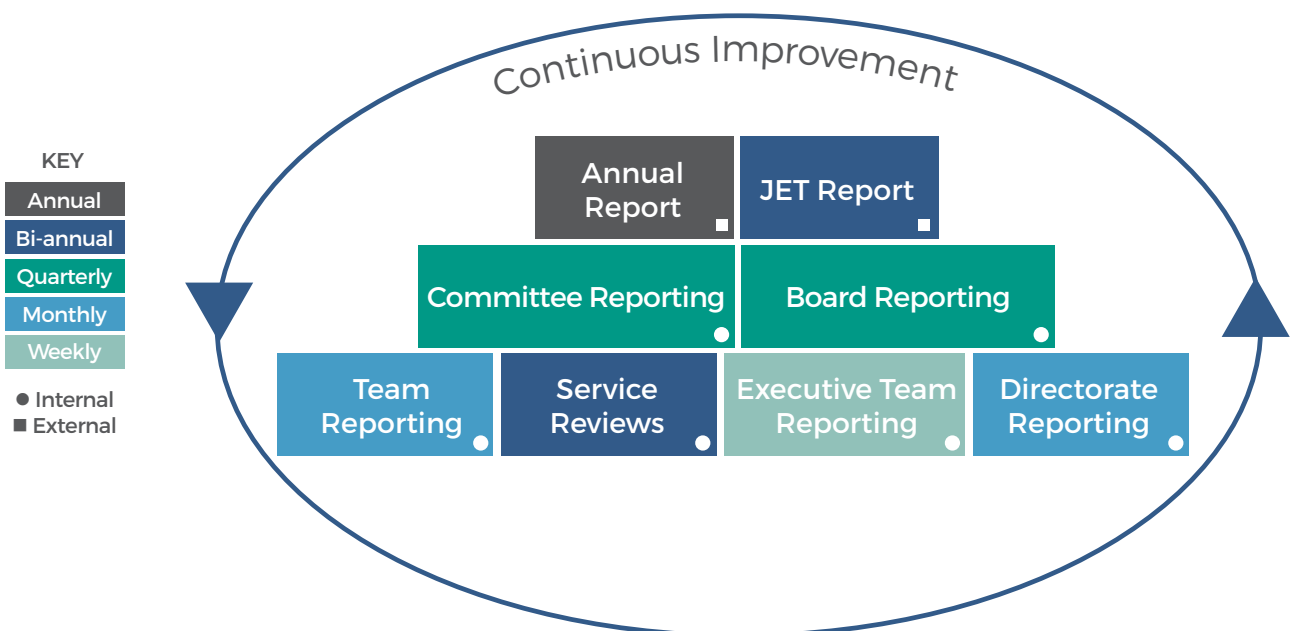
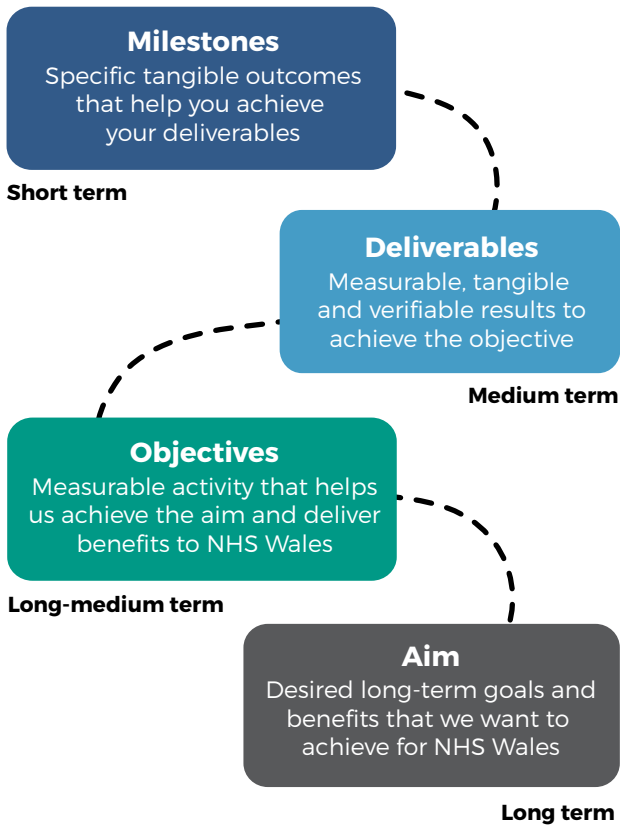
Performance Framework

The Performance Framework describes the organisation's system for making continuous improvements to achieve our Strategic Aims and Objectives and to deliver our core business activities. We are committed to developing a compassionate and collective culture that is underpinned by effective performance management and a focus on improvement.

Given the specific nature of our role as a strategic organisation and the demands placed on us by the UK regulators, we are taking a proportionate approach, and we largely measure and monitor a different set of performance indicators to the rest of NHS Wales. Our reporting cycle is also different, with a greater focus on academic cycles, annual and quarterly timescales rather than the daily, weekly, and monthly beat of other NHS organisations.

We continued to embed Performance Management Framework 2023 throughout 2024/25, however a refreshed framework will be published and agreed by Board in May 2025. Performance metrics were agreed with the Board as part of the Data Glossary which led to the production of integrated performance reports and dashboard. These reflect the organisation's Key Business Questions and those measures outlined in the Welsh Government Performance Delivery Framework.

Our performance cycle provides the opportunity to review the progress of key projects or programmes of work through bi-annual Joint Executive Team (JET) meetings with Welsh Government. Internally this is achieved through bi-annual service reviews and ongoing quarterly updates via the HEIW performance app.



Developing our IMTP 2024-27

As part of the IMTP approval process, the Board reviewed and approved the Strategic Framework refreshed last year. The framework sets out the aims, objectives, deliverables, and milestones for the next three years through the lens of our vision, purpose, and the strategic context. Within the framework are the foundations for success which are key to ensuring we deliver our plans with quality at the heart of everything we do.



During the planning cycle we engaged widely with our NHS Wales partners. This year we met with all but two organisations. However, we also expanded our engagement for this year and met with the Emergency Ambulance Services Committee and Welsh Health Specialised Services Committee who were in the process of planning for the new Joint Committee arrangements. We have also engaged with over 40 different organisations on developing the draft IMTP through the Stakeholder Reference Group.

As part of the planning cycle, we have also discussed the development of our plans regularly with Welsh Government finance and

planning colleagues to update on progress, build relationships and share information about key risks and incorporated the feedback into our plan as part of this process. We have consulted with our staff on the development of the plan through ongoing engagement at our Deputies and Deans Group, our Local Partnership Forum and dedicated IMTP development sessions. We have also discussed our plan with all our staff through our wider engagement mechanisms.

As a strategic body it is essential that we focus on longer term planning as well as short term solutions to support current pressures. We aim to balance the short and medium term, sustainable actions. These will support the implementation of the Workforce Strategy which forms the base of our strategic context, as well as providing flexibility to respond to emerging priorities in year.

Our plan reflects the multi-dimensional nature of our work, including profession-specific, multi-professional and national programme agenda. We value our strategic agility and have responded as required to emerging issues in-year. Our planning process and our performance management arrangements focus on ensuring that these are clearly connected and that stakeholders can see our work through these different lenses.

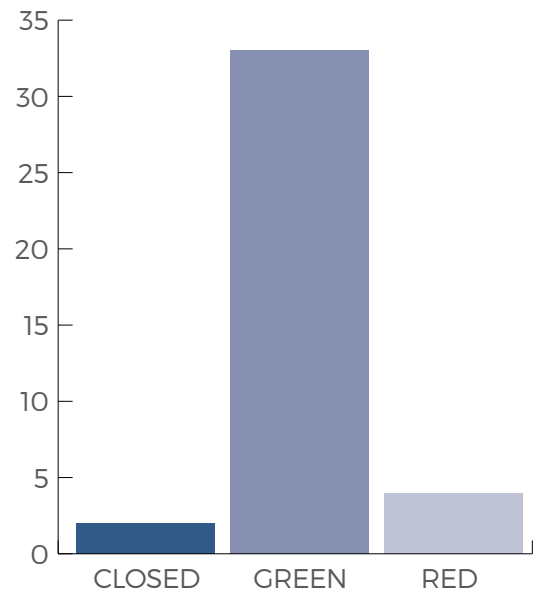
A large component of our plan is already agreed in the form of the Education and Training Commissioning Plan. This is produced on an annual basis, linked to academic cycles. This is a critical foundation for the IMTP and requires us to understand our financial profiles on at least a 5-year timescale given the duration of the programmes we commission.

Delivery against our Integrated Medium Term Plan 2024–27

The below graphs summarise our 2024/25 performance for the 2024–27 IMTP with 3 strategic aims, 11 strategic objectives and 39 deliverables agreed by the Board at the beginning of the year. Within the year two deliverables were closed which were the Multidisciplinary Education Strategy and the work on the Physician Associates.

89% of deliverables achieved all planned activity for 2024/25 which is reduction of 3% since 2023/24. The complex financial landscape and professional regulation has impacted on areas of work however this still a strong level of performance for the financial year.

Deliverable RAG Status



2024/25 Performance overview by strategic aim

Strategic Aim 1: Building our future workforce – Developing and implementing plans that align the future demand for workforce with supply.

- Clinical placement capacity expanded across nursing, allied health and mental health, enabling more learners to train in primary care, independent and third sector settings.
- 289 professionals completed the Step into Business Partnering programme, reporting measurable increases in confidence and capability in strategic people practice.
- Future education and careers planning strengthened through a new national infrastructure, improving visibility of pathways and alignment with long-term workforce needs.
- Three Endoscopy Academies delivered hands-on training across Wales, increasing access to multi-professional endoscopy education through a nationally coordinated model.
- The Academy Model extended into community and interprofessional settings, improving training reach and supporting local service models aligned to population health.
- Simulation-based education reached over 300 professionals, with new advanced faculty training and increased collaboration with UK-wide networks enhancing delivery quality.
- Y Ty Dysgu reached 25,874 users, supporting self-directed learning at scale and enabling more consistent access to Continued Professional Development across professions and geographies.
- HEIW's education strategy was refocused to support integrated, simulation-led, and neighbourhood-based delivery models, aligned to future service transformation.
- The Codi platform onboarded over 10,000 users and migrated 1.1 million records. Despite technical setbacks, a phased re-launch is preserving continuity of trainee experience.
- HEIW's AI mentor and Foundation Module supported early-stage AI literacy across the NHS workforce, helping position Wales as a UK leader in applied AI education.
- 27% of actions in the Mental Health Workforce Plan were completed, delivering new leadership opportunities, a national supervision hub and increased staff capability.
- New workforce modelling tools were introduced, improving the evidence base for supply and demand planning across pharmacy, nursing, midwifery and medical specialties.
- The Pharmacy Workforce Plan began delivery, with new planning resources and increased career development visibility across sectors helping retain early-career professionals.
- Two linked early-career dental training posts were created to support retention and continuity between foundation and core training for new graduates.
- The Primary Care Workforce Plan activated 13 live actions and secured investment to scale to 35, improving workforce planning across mental health, women's health and prevention.
- The Perinatal Workforce Plan was approved and will strengthen future service delivery across maternity and early years through structured national coordination.
- The Genomics Workforce Plan launched with 33 actions prioritised to prepare the workforce for rapid advances in personalised and precision medicine.
- The Strategic Nursing Workforce Plan was launched in March 2025, with leadership for the Registered Nurse Associate programme formally transferred to HEIW.
- National attraction campaigns such as 'Get into Nursing' contributed to an 18.25% increase in Spring applications for Higher Education Institution courses. Multi-platform advertising achieved 2.5 million impressions.
- The NHS Wales Graduate Management Programme attracted 940 applicants. All previous cohorts completed with 100% MSc pass rates and continued strong executive mentoring.

Strategic Aim 2: Developing our current workforce – Transforming today’s workforce to contribute to new models of care which improve quality and safety.

- Theatre workforce transformation supported by national engagement, with over 100 responses to workforce surveys and new funded training offers rolled out across health boards.
- Cancer workforce planning progressed with draft modules and education mapping underway; funding risks remain due to short-term contracts and incomplete data returns.
- The Diagnostics Workforce Plan concluded with key achievements in data quality, governance, and engagement; remaining actions absorbed into core team delivery.
- New frameworks and evaluation tools for urgent and emergency care roles were developed, supporting the Six Goals programme with community pilots and national dashboards.
- The Allied Health Professions Workforce Development Plan was published, with national engagement completed and early implementation focused on service need and role optimisation.
- Healthcare Science milestones delivered include a national career framework and UK-facing data quality guidance. A new national strategy and public engagement tools were launched.
- Engagement on consultant and advanced practice frameworks expanded across professions, with national input into UK-wide policy shaping new standards and definitions.
- Continued Professional Development modules for Specialist and Specialised doctors were delivered, but learner tracking and educational reform for locally employed doctors were delayed due to staff capacity and data access.
- 30 optometrists enrolled in Advanced Training Practices, with a further 19 progressing from the previous cohort. Placements are increasing service capacity across Wales.

Strategic Aim 3: Shaping Culture and Leadership – Embedding compassionate leadership principles to develop cultures that support including, wellbeing and quality.

- Compassionate leadership was scaled across NHS Wales through Train the Trainer expansion, Gwella platform redesign and national engagement. The pledge is now recognised internationally and embedded in local practice.
- A new co-delivery model for clinical leadership was implemented in North Wales, supporting long-term, locally led roll-out of the Advanced Clinical Leadership Programme from 2025.
- The new Executive Development Suite was launched, including success profiles for executive roles and the Aspiring Chief Executive programme. This is strengthening succession planning and talent visibility across NHS Wales.
- The NHS Wales Board Induction Programme welcomed over 30 attendees, significantly improving understanding of governance, strategic priorities and confident contribution to quality and safety.
- Ten new retention projects were launched through the National Retention Programme. Turnover reduced from 8.6% to 8.2% overall, with more marked improvements in nursing and midwifery.
- The new national Disciplinary Policy was introduced across all NHS Wales organisations through the Compassionate People Practices programme, embedding fairness, voice and early resolution.
- The 2024 NHS Wales Staff Survey achieved 24,883 responses, with data now informing targeted workforce planning and improvement actions at national and local level.
- A new national Management and Leadership Competence Framework was co-developed with UK partners and will underpin consistent expectations, support development pathways and inform future leadership standards in NHS Wales.

Areas of Challenge

There are number of areas of challenge facing HEIW as we realise our strategic aims.

This includes the impact of the financial recovery across NHS Wales on HEIW's as well as the health system capacity to train and educate staff. Our usual planning process for the Education and Training Plan (ETP) was affected by the current financial position resulting in additional work and prioritisation. This included providing further information to Welsh Government on a range of funding options across different priority areas for 2024/25 ETP but within the same funding envelope as for the ETP in 2023/24. Given this, there is a tension between putting forward plans based on evidence and need, versus the financial constraints that the whole of NHS Wales is subject to.

Due to financial constraints, health boards and trusts ability to release staff for education, training and development and to engage in new initiatives is being restricted.

Higher Education Institutions (HEIs) are finding it more difficult to fill their commissioned places, requiring HEIW to make direct interventions to improve the fill rate which is considered in the [Highlights from Education and Training Commissioning section](#) of the Performance Report. HEIW exists to support HEIs, but the level of management intervention is significant. Couple this with the high proliferation of temporary programmes and projects, many HEIW staff have been in posts linked to non-recurrent funding, with fixed-term and secondment staff only given annual contracts. This does mean HEIW experiences higher turnover of staff in these areas.

Cardiff University's consultation on its future provision of nursing education has been a key area of focus for HEIW. We have worked closely with the University together with other regional higher education institutions providers to ensure that the provision of nursing education continues to be stable and that it meets the future nursing workforce needs of NHS Wales.

The challenges of managing the significant oversubscription to the UK 2 year Foundation Programme (FP) and impact on 'placeholder' applicants is outlined under the [Foundation Training paragraph](#) below (page 40).

Professional bodies not supporting Medical Associate Professions (MAPs) is impacting future recruitment, retention and training. HEIW is undertaking numerous initiatives to mitigate this risk including establishing a MAPs oversight group, promotions of the General Medical Council (GMC) process towards regulation and regular communication with health boards and Welsh Government.

HEIW's key areas of challenge over the year are also considered under the [HEIW's Risks section](#) (page 73) in the Annual Governance Statement.

Delivering in Partnership

As an All-Wales organisation, with several strategic functions, the importance of communicating and engaging with our partners and stakeholders cannot be over emphasised.

As the national workforce body for NHS Wales, we recognise how critical engagement with stakeholders and partnership working is to our work. It is through effective engagement and partnership working that we are able to clearly understand the challenges facing health care in Wales, build workforce solutions and support the delivery of excellent patient care.

In March 2025, the HEIW Board approved the HEIW Communication and Engagement Strategic Framework. The Framework outlines how we will improve the way we communicate and engage to deliver on our strategic aims. It ensures we work together to strengthen internal and external relationships, reinforce HEIW's role and reputation, and demonstrate our value to NHS Wales and wider partners.

HEIW's approach to engaging partners and stakeholders is more fully outlined in the [Stakeholder and Partner Section](#) (page 77) of the Annual Governance Statement.

HEIW and our partners



Highlights from Education and Training Commissioning

Around 85% of our annual budget is dedicated to education and training, underscoring our strong commitment to developing the healthcare workforce. In 2024/25, we further expanded training opportunities and student placements across a wide range of health professions, driven by sustained investment from the Welsh Government and our strategic education, training, and commissioning plans. This continued growth ensures a well-equipped, future-ready workforce to meet the evolving needs of healthcare.

Nursing Commissioning

Since the establishment of HEIW in 2018, nurse commissioning numbers have grown significantly. To support this expansion, HEIW has invested in strengthening placement infrastructure across Wales, ensuring students have access to high-quality, safe learning environments. This includes increasing the number of practice educator roles and expanding placement capacity in Primary, Community, and Social Care settings which is critical to meeting the learning needs and proficiencies for nursing students.

While investment in training infrastructure has enabled the growth in nursing commissions, a significant decline in applications for nursing courses is a challenge. Commissioning numbers reduced slightly in 2024/25 to a more realistic level, but Wales nevertheless achieved the second highest number of filled places on record in 2024/25. For context, UK-domiciled applications have fallen by over 34% since their peak in 2021. In response, HEIW has spearheaded a range of innovative initiatives to complement traditional university recruitment through the Universities and Colleges Admissions Service (UCAS).

Key initiatives developed in 2023/24 have been embedded into core business in 2024/25. These include;

- Enhanced bridging modules between Further and Higher Education
- The International Student Nurse Scheme
- Progression opportunities for Healthcare Support Workers via the Level 4 HE Certificate

- New part-time distance learning commissions
- Support for Fast Track to Nursing Programmes
- A project to raise awareness of Learning Disability Nursing

The anticipated recruitment for 2024/25 stands at 2,150 students, again supported by HEIW-led initiatives. However, international student nurse recruitment has been capped at 150.

Additionally, commissioned places for Mental Health and Learning Disability Nursing have increased in 2024/25 to align with the Mental Health Workforce Strategy and the growing demand for Learning Disability Nurses.

Midwifery, Healthcare Science, Allied Health Programmes Commissioning and Physician Associates

The commissioning of Midwifery, Healthcare Science, and Allied Health programmes has remained strong, with only minor variations in numbers. In 2024/25, more than 1,300 students began their studies across a range of programmes, reflecting continued demand and investment in these vital healthcare professions.

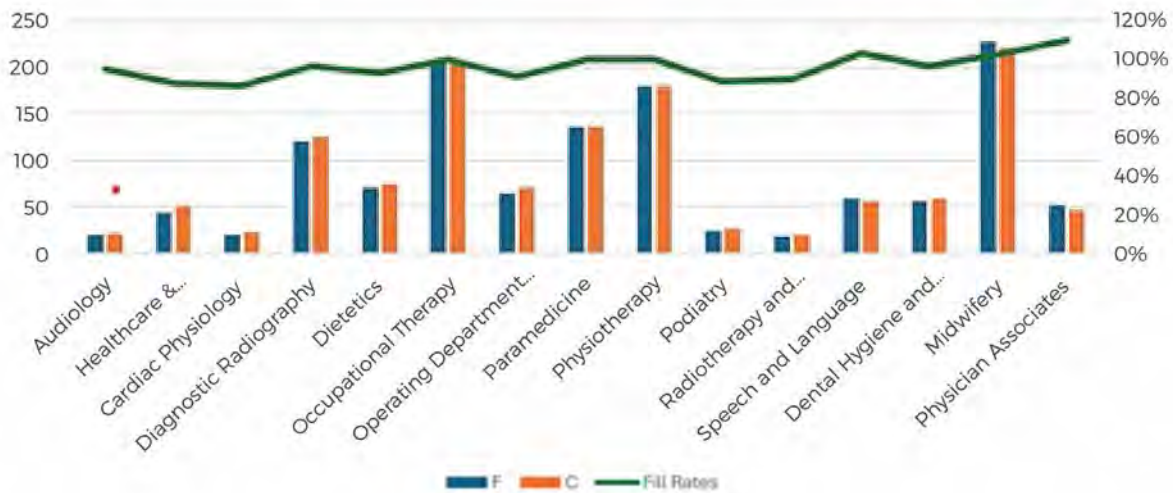
The graph below illustrates the commission numbers, student recruitment figures, and percentage fill rates for each programme, showcasing the overall stability and success of these education pathways..

Quality of Education and Training

At HEIW, ensuring high-quality learning environments for all healthcare learners in Wales is a core priority. We are committed to commissioning and coproducing exceptional education and training for both the current and future NHS Wales workforce, aligned with regulatory standards and requirements.

To uphold and enhance educational excellence, HEIW has implemented a comprehensive Quality Management System, integrating Quality Planning, Quality

Commission and fill rate 2024/25



Management, Quality Assurance, and Quality Improvement; reflective of the Duty of Quality. This systematic approach underpins high-quality, multi-professional education and training across all healthcare disciplines.

As part of our statutory duty, HEIW remains focused on driving continuous improvements in education and training quality. Strong collaboration and communication with partners, stakeholders, students, and trainees remain essential in achieving this goal.

HEIs and the Performance Quality Framework

Universities play a vital role as key partners of the NHS, providing essential education and training pathways for health professionals at both undergraduate and postgraduate levels. Through robust contract management processes, HEIW ensures that the education and training commissioned and delivered in Wales meet the highest academic and vocational standards, offering assurance to HEIW, Welsh Government, and NHS organisations. These processes also support widening access, promoting the Welsh language, and strengthening local education routes.

As part of this quality assurance framework, HEIW conducts individual quality reviews with each education partner. These reviews, built on open and collaborative engagement, drive continuous improvement by integrating enhancement plans into each university's internal quality processes. This structured approach is embedded within HEIW's Quality

Performance Framework, ensuring ongoing development in healthcare education.

The Performance Quality Framework also outlines a staged escalation process, enabling a risk-based approach to managing concerns. This mechanism ensures that any performance-related issues linked to key contractual requirements with Higher Education Institutions (HEIs) are addressed efficiently. The goal is to implement sustainable quality improvements in a timely and effective manner.

Concerns and Challenges

To provide assurance that education providers maintain high placement quality, HEIW utilises a range of data sources and quality mechanisms, aligning with all aspects of the quality cycle – including planning, management, improvement, and assurance. The Commissioner and Education Providers works diligently to capture student concerns, supporting allowing students to Speak up Safely.

Commissioning healthcare education involves complex challenges, requiring a balance between workforce demands, quality assurance, and resource allocation. One key concern is ensuring sufficient student recruitment to meet workforce shortages, particularly in professions experiencing declining application rates, such as nursing. Despite increased commissioned places, fill rates remain a challenge, often influenced by factors such as public perception of healthcare careers, financial barriers, and competing higher education opportunities.

Maintaining academic and vocational quality standards is another challenge, particularly as educational institutions must balance regulatory requirements, evolving healthcare practices, and the need for innovative teaching methods. The increasing use of technology-enhanced learning and simulation-based training must complement, rather than replace, hands-on clinical experience.

Student retention and progression pathways is a significant consideration in ensuring that HEIW and the education providers deliver value for money to the public purse. Simply increasing student numbers does not guarantee that students' progress satisfactory through the programme. Ensuring that students have a well-rounded, safe and enriching experience, supported by their guardians in the education provider and NHS is critical to student progression.

Postgraduate Medical Training

Foundation Training

As a result of significant oversubscription to the UK 2-year Foundation Programme (FP) 2024, the Wales Foundation School was allocated 496 eligible applicants for 447 available FP places. The surplus of numbers was largely managed through withdrawals and consequent vacancies, but an additional 15 programmes were required (and funded by Welsh Government).

The outcome of this was that Wales had the lowest Foundation 1 vacancy rate in the UK at the start of FP2025 in August 2024. However, the process did cause some anxiety for those "placeholder" applicants who were not allocated to a specific post until late in the cycle. The number of foundation doctors training out of sync (Less Than Full Time, prolonged absence, performance issues) continues to increase and now represents more than 10% of each year's cohort (as of April 2025).

Secondary care medical training

Following recruitment Rounds 1 and 2 for posts commencing in August 2024, we achieved a final recruitment rate of 93% (382 of 412 posts advertised). Of the 382 doctors accepting posts, 374 commenced on the programme start date with 5 trainees requesting deferrals for statutory reasons and the others withdrawing.

Some specialties (Acute Internal Medicine, Higher Psychiatry Specialties, Geriatric Medicine and Genitourinary Medicine) remain challenging to fill, and this is reflected across the UK. In this recruitment round we saw fill rates improve for Palliative Medicine following its recent dip.

During this recruitment round Obstetrics and Gynaecology ST1 entry saw a significant reduction in fill rates compared to previous years. This mirrored the UK-wide picture and as a result an extended process was conducted for this specialty finally resulting in an 89% fill rate (8/9 posts).

The 2024 Education and Training Plan resulted in an increase of 21 training posts (Emergency Medicine/ Acute Care Common Stem (ACCS), Core Psychiatry, Child and Adolescent Mental Health and Paediatrics). For some specialties this increase was required to ensure posts were available for ongoing commitments whereas for other specialties such as ACCS Emergency Medicine and Child and Adolescent Psychiatry (run through) these new posts were advertised and successfully filled during these recruitment rounds.

GP Training

Over the two recruitment rounds for General Practitioner (GP) training programmes starting August 2024 and February 2025 there were a total of 160 trainees recruited.

Two programmes to support trainees who may encounter difficulties during their training were in place for the 2023/24 training year. The 'Welcome to Wales' programme is a cultural induction open to all new recruits who graduated overseas. The 'Programme of Additional and Specialised Support' provides additional educational sessions to those trainees at most risk of experiencing a complicated training journey. Currently 198 trainees are benefiting from these additional sessions, intended to improve trainee outcomes and increase trainee throughput.

Ensuring High-Quality Medical Education and Training

HEIW ensures high-quality postgraduate medical education and training in Wales whilst meeting regulatory standards through the application of the HEIW Quality Management

System. This comprehensive framework incorporates routine and responsive practices which enable us to work in collaboration with Local Education Providers (LEPs) (NHS Wales Health Boards and Trusts) across Wales to ensure the delivery of high-quality education and training in a manner which appropriately prioritises patient safety.

Quality management utilises a targeted process to ensure a proportionate response to concerns regarding training quality by adopting a staged approach to the management of training issues. There are four stages within the process – initial enquiry, local management, direct Quality Unit intervention and Enhanced Monitoring.

‘Enhanced Monitoring’ status is applied by the GMC to those sites which they consider require an additional level of support.

GMC Enhanced Monitoring

As at 31st March 2025, departments in four Local Education Providers (LEPs) are under enhanced monitoring, three on a trajectory of improvement and one recently added.

The four departments currently in Enhanced Monitoring status are:

- Internal Medicine, all sites, Aneurin Bevan University Health Board
- Emergency Medicine, Prince Charles Hospital, Cwm Taf Morgannwg University Health Board
- Cardiology, University Hospital of Wales, Cardiff and Vale University Health Board.
- Cardiothoracic Surgery, University Hospital of Wales, Cardiff and Vale University Health Board (added November 2024).

The following department had Enhanced Monitoring status removed by the GMC, in response to sustained improvement in the training environment:

- Emergency Medicine, Wrexham Maelor Hospital, Betsi Cadwaladr University Health Board

Annual GMC National Training Survey

HEIW’s resident (trainee) and trainer response rates to the GMC National Training Surveys while slightly lower than in 2023, were the highest rates in the UK at 86% against a UK average of 76% for the trainee survey and a 57% response rate for the trainer survey against a UK average of 38%.

These results have been published on the GMC’s online reporting tool with a key themes report for Wales being produced within HEIW. Overall, the trainee results for Wales were not statistically different from other postgraduate bodies across the UK. Positive exceptions include induction which has increased to a high of 79% in the last four years which is encouraging given that effective induction has implications for patient safety and supports residents in settling into their posts. Since the Covid-19 pandemic, incremental increases in the results for Adequate Experience have been reported and this trend continued in 2024 with 84% of respondents expressing confidence that their post would enable them to acquire the competencies they needed at their stage in training.

The handover indicator score increased this year, which is encouraging given that this has implications for patient safety as well as being an important learning opportunity. There were also indications of an improvement trajectory in relation to Reporting Systems, potentially linked to the Welsh Government’s launch of the ‘Speaking Up Safely’ framework.

As with the resident results, overall, the trainer results for Wales are not statistically different from the rest of the UK. The GMC has highlighted the increasing pressures on trainers, and it is unsurprising that time for training roles remains challenging with many respondents in Wales indicating that they didn’t have sufficient time to deliver their educational role. However, the majority of trainers, indicated that they had adequate learning opportunities and that they had access to the resources that they needed to undertake their training role.

For residents and trainers, burnout continues to be a concern, HEIW continues to address this with workshops and efforts to support the workforce through collaborative engagement with Health Boards.

The GMC continue to express confidence in the ability of HEIW to meet its training standards outlined in Promoting Excellence.

Medical Appraisal and Revalidation Process and Primary Care CPD

HEIW supports and improves professional standards through revalidation and appraisal in line with the requirements of the regulators. The Revalidation Support Unit (RSU) continues

to provide and manage the GP appraisal process for approximately 2,800 GPs in Wales. In the year 2024/25 the RSU completed 2,560 GP appraisals (in comparison, total number of GP appraisals completed in 2023/24 was 2,533).

RSU is responsible for facilitating high-quality appraisal in Wales, and one of the key quality improvement events is the annual GP National Appraiser Conference (NAC). The day-long event enables GP Appraisers to network amongst the wider group and share learning facilitated by professional speakers.

The RSU is integral in supporting primary and secondary care healthcare workers meet their appraisal and revalidation requirements, thus assisting HEIW to meet its strategic aim of developing our current workforce. Over the course of the year, the RSU has worked closely with the Chief Medical Officer (CMO), Medical Directors, General Medical Council (GMC) and appraisal leads across the four nations to ensure that the future model of medical appraisal is robust and remains wellbeing focussed. The CMO as Chair of the Wales Revalidation Oversight Group (WROG) tasked the RSU with developing and maintaining a Revalidation Action Plan for Wales and undertaking a programme of Revalidation Quality Assurance Review Visits to all Designated Bodies (DBs) in Wales.

The Review Visits explore the quality and robustness of appraisal and revalidation systems within each organisation and provide assurances to the CMO as Higher-Level Responsible Officer in Wales. The second cycle of visits ended in December 2023, and an evaluation report was submitted to the CMO. As a follow up to the second cycle of visits, in October 2024, the RSU held a 'Good Practice' workshop with designated bodies in Wales, to enable appraisal and revalidation teams to collaborate and share examples of good practice and identify areas for development.

Following the introduction of GMC regulation for Physician Associates (PAs) and Anaesthesia Associates (AAs), the RSU has been tasked with implementing a consistent, high-quality process for PA appraisal in Wales and are working closely with health boards to establish requirements.

Resident Trainee Support

The Professional Support Unit (PSU) for medical, dental, and pharmacy residents/trainees continues to provide a wide range

of support interventions for those facing challenges in progressing through training. The PSU's services focus on three key areas: helping residents/trainees maximise their progression, establishing clear support standards, and delivering training and development for key stakeholders. This includes one-to-one coaching, training and development, and knowledge sharing.

The PSU has experienced a 16% increase in referrals between 2023 and 2024. In 2024, a total of 460 referrals were received, with an average caseload of 510 residents/trainees throughout the year. Notably, in 2024, 371 residents/trainees required enhanced psychological support, an increase of 111 from the previous year, highlighting a growing number of complex cases and dyslexia assessments.

The rise in referrals is driven by multiple complex factors, including:

- Increased recognition of differential attainment and its impact on training progression.
- A higher proportion of international medical graduates (IMGs), with evidence linking primary medical qualification location to differential attainment.
- Psychological impact of life or the workplace.
- Growing awareness of neurodiversity and the challenges it presents for trainee's/resident's progression and well-being.

To address these needs, the PSU provides a range of interventions, including one-to-one support and well-being development seminars and webinars for both residents/trainees and faculty. Encouragingly, over 70% of residents/trainees now self-refer, reflecting a declining stigma around seeking professional support.

Beyond individual support, the PSU delivers a comprehensive learning and development programme for both residents/trainees and trainers. In 2024/25, 1,844 attendees participated in 64 workshops, delivered both virtually and in-person, covering topics such as:

- Maintaining Your Strength and Well-being
- Minimising Imposter Syndrome
- Peer-to-Peer Mentoring
- Supporting Residents/trainees Through Training
- Future Medics
- Active Bystander Training

- Crucial Conversations: Giving and Receiving Feedback
- Exam Support

The PSU remains committed to supporting residents'/trainees' well-being, maximising their potential, and ensuring a positive and inclusive training experience.

Dentistry

Dental Postgraduate Training

Dental Foundation Training

Dental Foundation Training posts are recruited through national recruitment (NR) and an incentivised local recruitment scheme – established to protect training places in rural areas of Wales where training was at risk as places were not filled through National Recruitment. In the 2024/25 cohort, 52 posts were filled via national recruitment and 15 posts were filled through the incentivised local recruitment scheme. This represents a 100% fill rate.

Dental Core Training (DCT)

Training year (Sept start)	Posts			
	DCT1	DCT2	DCT3	Total
2024/25				
Posts available	28	31	9	68
Posts filled via NR	22	18	3	43
Posts filled via local recruitment	3	12	3	15
Fill rate %	89	97	100	95

Dental Specialty Training

33 Dental Specialty Training posts are currently filled and 3 are vacant giving a fill rate of 91%. Recruitment to these vacant posts is on hold until next year due to limited training capacity.

Dental Therapy Foundation Training

18 Dental Therapy Foundation Training posts were available for September 2024 start and 11 posts were filled. The reasons for this 61% fill rate are multi-factorial including that many new graduates choose to work only in the private dentistry sector. HEIW works closely with Cardiff Dental School to ensure that as many places as possible are filled, particularly for those dental therapists that have taken the NHS bursary.

Dental pre-registration and undergraduate training

Dental Nurse (DN) Training

in 2023, HEIW began delivery of a National Examination Board of Dental Nursing (NEBDN) Diploma in Dental Nursing to increase the workforce in this area with 15 trainee DNs recruited from dental practices across South-East Wales.

Undergraduate Dental Hygiene and Dental Therapy:

- Aligned with A Healthier Wales: The Oral and Dental Services Response ambitions, HEIW has significantly expanded undergraduate training numbers for dental therapists in Wales. In September 2024, working with Cardiff University Dental School the number of Dental Therapy undergraduate places were increased further to 30.
- HEIW commissioned Bangor University to deliver a Diploma in Dental Hygiene in 2023 and the first cohort of 12 graduated in 2025. In the National Student Survey this programme was voted the best dental hygiene programme in the UK.
- HEIW has commissioned Bangor University to deliver a one-year BSc Dental Therapy programme to enable skills escalation for existing workforce in North Wales with a Diploma in Dental Hygiene to expand this workforce further.

Supporting the Existing Dental Workforce

The Dental Deanery continues to support the knowledge, skills and competencies of the existing workforce with courses, conferences and resources delivered face to face where appropriate and through the Y Ty Dysgu platform for a blended learning experience. In January 2025, there were 5,685 dental professionals in Wales registered on this learning platform.

In June 2024, legislative amendments to the Human Medicines' Regulations Act were made, enabling suitably trained dental hygienists and therapists to supply and administer specified medicines to their patients. This will speed up treatment and negate the need for dentists to prescribe such medications. The dental section led the development of the essential training programme. 138 Dental therapists and hygienists in the Welsh workforce undertook the upskilling training.

Pharmacy Workforce

Strategic Pharmacy Workforce Plan (SPWP)

The SPWP team focused efforts on leading partners in the implementation of 31 actions during 2024/25. As a result, there are already a number tangible new e-resources that are live via our website including the:

- Gwella Pharmacy Leadership hub,
- Pharmacy Operational Workforce Planning resource,
- Consultant Pharmacist Resource, and
- a new pharmacy careers webpage.

Pre-Registration Pharmacy Technicians

HEIW currently have 129 pre-registration pharmacy technicians in training completing a Modern Apprenticeship level 4 training programme. Since commencing the two-year programme in 2022, 97 trainees have completed the course.

In addition, our “Access To” programmes provide the opportunity for existing employees to achieve the qualifications to meet the entry criteria to apply for the HEIW Pre-registration Pharmacy Technician training programme. There have been 57 learners completing 76 qualifications and 6 learners have progressed to the HEIW pre-registration training programme.

Trainee Pharmacists – Foundation

99/101 trainee pharmacists on the 2023/24 programme have now successfully completed their training year equating to a programme pass rate of 98%. Out of the 99 trainees who have completed the programme, 96 have also passed their registration assessment. In the November registration assessment sitting, Wales again had a higher pass rate, 86%, than the national average of 58%.

98/113 trainee pharmacists commenced their foundation training year in August 2024 following an initial 113/113 fill rate for the programme. The reduction in numbers commencing the programme were primarily due to failures in graduation assessments.

MPharm Funded Clinical Placements

Around 1802 placement weeks have taken place in the academic year 2024/25. This compares with around 1080 placement weeks in the academic year 2023/24.

Post registration Foundation (PRF) Programme

This programme is a bespoke bridging programme for new/early career pharmacist registrants across all sectors of practice and facilitates the effective implementation of the initial education and training standards for pharmacists by July 2026.

HEIW currently has 5 active cohorts working through the PRF programme with final intake due for the 2025/26 academic year. Learners have the potential to achieve both independent prescriber status and the Royal Pharmaceutical Society (RPS) Post-registration Foundation (PRF) credential within the 2-year programme. The goal is to boost the number of pharmacist independent prescribers in the workforce and deliver better access to medicines for the public.

Existing Pharmacy Workforce

A particular focus is upskilling the existing workforce with the enhanced skills of Independent Prescribing and the skills of the community pharmacy workforce to deliver the requirements of Presgripsiwn Newydd-New Prescription. Since the launch on 26th June 2020, over 326,715 consultations have been recorded, with 14,990 consultations recorded during February 2025. 96.9% of patients said they would have visited another healthcare provider had the service not been available in the pharmacy.

Optometry

Optometry commissioned qualifications – February 2025

HEIW Optometry commissions higher qualifications that enable Optometrists in Wales to provide extended eye care services to patients so that they can manage more patients in community optometry practices and prevent patients from being referred to secondary care.

The table below indicates that the commissioning by HEIW for the higher qualifications has increased the number of practices able to perform extended eye care services in line with the Welsh General Ophthalmic Services (WGOS) Optometry Contract. For all our courses commissioned this year we have a 100% fill rate.

Table: Number of qualifications commissioned from HEIW this year compared to last year

Qualification	April 2024– March 2025	April 2023– March 2024
Independent Prescribing	23	27
Prof Cert Med Ret	49	16
High Cert Med Ret	5	0
Low Vision	27	25
Prof Cert Glaucoma	27	18
High Cert Glaucoma	12	14
Total	143	100

Optometry education, training and support

HEIW provide continuing professional development both as part of the WGOS contract and for further development. HEIW have delivered contract mandatory training through our online platform, 'Y Ty Dysgu' to 3,254 users – 891 Optometrists, 176 dispensing opticians, 56 CLOs, 12,033 practice staff.

Regulators

HEIW works with all professional regulators in the development of our education and training programmes. Over the past year, we have continued to work closely with regulators as we adjust to the changing requirements of the workforce.

The General Medical Council (GMC) serves as the independent regulator ensuring high standards and quality assurance in medical education and practice. HEIW functions as an 'Education Organiser,' aligning its postgraduate medical training programmes with GMC standards to ensure high-quality education and training in Wales. HEIW also provides a quality management function to monitor adherence to standards and works with the GMC to provide them with assurance. In the context of medical workforce regulation in Wales, the GMC sets the overarching standards for medical practice, including revalidation.

HEIW plays a key role in supporting doctors through the revalidation process by providing governance, appraisal frameworks, and professional development opportunities to ensure compliance with GMC requirements.

The General Pharmaceutical Council (GPhC) serves as the independent regulator to set the standards for the initial education and training (IET) of pharmacy professionals. The GPhC revised the IET for pharmacists in 2021 to a new five learning outcome pathway. The changes to the IET standards for pharmacists have created a significant change in our relationship with GPhC in the quality management of the Foundation year.

The General Dental Council (GDC) is the UK-wide statutory regulator of more than 120,000 members of the dental team. As the regulator for the dental team, the GDC assesses, approves, monitors and inspects education providers for programmes leading to registration with the GDC. HEIW commissions undergraduate dental hygiene and dental therapy training in Wales and also delivers a dental nurse training programme. All these programmes meet the requirements set out by the GDC.

The GDC is also responsible for the quality assurance of dental specialty training and approving all curricula for education and training in specialty dentistry. Revised curricula have been developed by the Specialty Advisory Committees (SACs) for each specialty and approved by the GDC for use from September 2024. These are in use for the postgraduate dental specialty training programmes delivered with Higher Education Institutions (HEIs).

The General Optical Council (GOC) is the regulator for Optometrists (including student Optometrists), dispensing opticians and optical businesses. HEIW commission postgraduate qualifications for Optometrists. The GOC approve the HEIs for the postgraduate qualifications. HEIW provides a mechanism for postgraduate placements in Optometry practices in Wales as part of the Independent prescribing qualification and HEIW has a quality planning role. We work with the GOC to ensure postgraduate qualification placements in Optometry practices are suitable. The quality assurance role for the placements sits with the HEIs as part of the qualification.

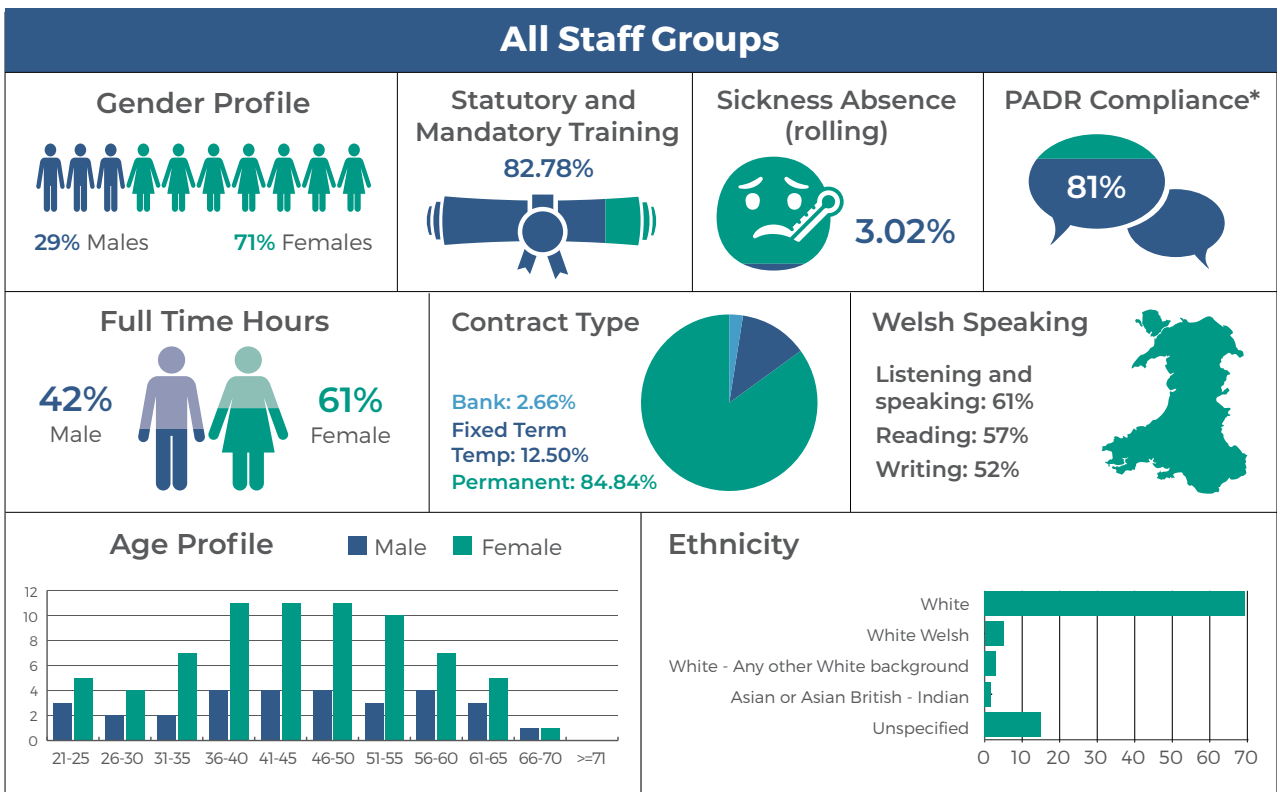
Our Workforce

Our workforce has continued to develop to meet the increased functions, responsibilities and volume of activity. We have seen continued growth in the Digital, Data and Engagement Directorate reflecting the importance of the digital agenda and also an increase in the number of graduate trainees who are hosted on behalf of all other NHS organisations. The Medical Directorate remains the single largest Directorate as it incorporates the majority of sessional workers. The shape of the workforce has changed with the creation of an additional directorate, the Education, Strategy and Transformation Directorate.

A number of key posts have been added to the workforce to reflect strategic and IMTP priorities, including the Director of Education, Strategy and Transformation and Assistant Director for Strategic Partnership, Engagement and Insight.

The majority of sessional employees are General Practitioners who work as GP Appraisers for HEIW. The number of staff who remain on Cardiff University terms and conditions of service following their transfer into HEIW when it was created has reduced again over the last 12 months.

Workforce Infographic as at March 2025



Workforce Movement

The headcount for directly employed staff, those on permanent and fixed term contracts as recorded in the Electronic Staff Record (ESR) was 616 on 31st March 2024, and has increased to 673 on 31st March 2025. Work is ongoing between the People and Facilities Management Team and the Analytics Team to ensure that the headcount is being recorded accurately and consistently.

Each of the Directorates across HEIW have had additional posts approved and recruited to which accounts for the growth in headcount.

While the headcount has shown a steady increase over the 12-month period the actual number will depend on the number of vacant posts that are at different stages of the recruitment processes.

We continue to operate a hybrid operating model with a baseline of 2 days in the office and 3 days working from home. Attendance at the office is managed locally within departments and many are now using 'anchor days' when whole teams come into the office on specific days.

Turnover

For the period 1st April 2024 to 31st March 2025 the turnover rate was 12.59% which represented a decrease from the previous figure of 17.3%. The turnover rate is slightly inflated by interns and graduate trainees who come for a fixed period of time. ESR recorded 124 new starters and 81 leavers over the 12 months.

Sickness

HEIW's rolling 12-month sickness rate was 3.00% and although marginally up from the previous rate it remains below the NHS Wales target of 4.1%. The long-term trend is for marginal increases on the rolling percentage although the monthly rate will fluctuate. The majority of sickness is long term sickness with the single largest reason for staff sickness absence is anxiety and stress which accounts for approximately 50% of all sickness absence.

Mandatory and Statutory Training

The Welsh Government Key Performance Indicator requires 85% compliance at a minimum level in the 10 UK Core Skills Framework for NHS Staff, hosted on the Electronic Staff Record system. The majority of these learning modules require a 3-year refresher period, although specific modules

may differ in this. New starters are excluded from this report for the first 3 months in post. HEIW adds an additional 3 to the 10 core skills required by Welsh Government. The Welsh Government is currently undertaking a review of statutory and mandatory training within the NHS.

The HEIW compliance rate for core staff at the end of March 2025 was 80.83% which is above the Welsh Government target figure. It remains the responsibility of individual staff and managers to ensure that they achieve compliance in statutory/mandatory training requirements whilst the People and Facilities Management Team and the wider Workforce and Organisational Development teams continue to support and encourage staff in this process.

The sessional staff who work for 3 sessions or less are not included in the above figures as their primary employment is elsewhere within the NHS with the majority being General Practitioners. They are however still required to undertake a lighter version of appraisal with HEIW to both monitor performance and objectives and to identify relevant training needs. Similarly with Statutory and Mandatory training, where their prime employment is elsewhere, they can provide confirmation of having undertaken the relevant training with their prime employer and have their competency confirmed within ESR.

Staff Engagement and Wellbeing

The annual NHS Staff Survey was conducted for the second consecutive year in 2024. Within HEIW, we received 438 responses, representing 86.6% of our core workforce – an increase of 11.4% from 2023. A key measure in the survey is the staff engagement score, derived from seven questions assessing three key areas: autonomy, motivation, and staff advocacy. HEIW's engagement score improved from 79% in 2023 to 80% in 2024, surpassing the NHS Wales average of 72%, which saw a 1% decline from the previous year.

Equality, Diversity and Inclusion

We remain broadly representative of the overall NHS workforce in terms of the gender profile of the organisation, with 71% of the workforce being female, and this includes our senior leaders as represented by the HEIW Board.

Across Wales, 6% of the population identify themselves as from a minority ethnic

background, within our local areas of Cardiff and Rhondda Cynon Taff this is 16% and 4% respectively. From those who have declared their ethnicity, those from a minority ethnic background make up 6% of our workforce. Although this remains less than the overall NHS Wales profile of 8%, our work on the delivery of the workforce race equality standard focuses on us identifying and understanding any barriers within our local recruitment practices and encouraging new and existing staff to update their ethnicity to enable us to have a better understanding of the diversity of our workforce.

Complaints Handling

HEIW's bespoke Complaints Handling Policy reflects our unique role within NHS Wales as a training and education provider. Our Complaints Handling Policy outlines the process for dealing with concerns and complaints, emphasises a swift resolution of issues where possible and outlines how the implementation of the policy will

be monitored. The Policy also supports organisation learning and seeks to identify and share lessons learned from complaints.

HEIW received 20 complaints under the Complaints Handling Policy during the reporting period. Seventeen of the 20 complaints were stage two complaints, and the majority (13) were received from the Medical Directorate.

The complaints received covered a variety of issues and three themes were identified:

- Four complaints received were in relation to programmes, placements, training allocations and rotations;
- Three complaints received were in relation to IT systems/ software; and
- Three complaints received were in relation to funding allocations and processes.

The following table identifies the specific actions and lessons identified from the complaints received during 2024/25.

Complaint Theme	Lessons Learned
Communications/ Lack of Communications	To review the position in relation to guidance being provided regarding acknowledging email concerns from trainees and providing recommended timeframes for response.
IT Systems/ Software	To review and update Orbit360 FAQ site, resources, video guides and 'contact us' function to ensure they meet the needs of users. To continue to undertake a programme of work to update and improve HEIW telephone systems to make it easier for individuals to make contact.
Training Concerns	To review the declaration section of the Out of Programme Training Policy. To complete further work in relation to HEIW's role in the Upholding Professional Standards in Wales Process.
Bursary	To work towards ensuring there is clear understanding of the roles and responsibilities of different organisations in order to avoid fragmentation and confusion.
Reasonable Adjustments	To consider enhancing the training and resources for recruiting managers, developing neurodiversity awareness sessions for staff and managers and maintaining the neuroinclusive hub on the intranet.

Counter Fraud

The 2024/25 Counter Fraud Annual Workplan received approval from the Audit and Assurance Committee on 8 April 2024. The plan outlined how the NHS Counter Fraud requirements including bribery and corruption would be fulfilled throughout the year. Updates on delivering against the work plan have been provided to the Audit and Assurance Committee during 2024/25.

HEIW has a Counter Fraud Policy and Response Plan that was approved by the Audit and Assurance Committee in October 2023. The plan sets out the roles and responsibilities of all staff in relation to counter fraud and the relevant laws and regulations, including the Fraud Act 2006 and the Bribery Act 2010. The document also provides detail on how cases of suspected fraud should be reported.

During the 2024/25 financial year, 320 HEIW staff received Counter Fraud training to publicise and support understanding of the policy throughout the organisation. Presentations will continue in 2025/26 and on a rolling basis as required.

Financial Performance

The HEIW Board approved its draft Annual Plan at its meeting on 28 March 2024. The plan set a revenue funding requirement for the year of £334.67m. This has subsequently been revised

to an in-year funding requirement of £351.66m at year-end. HEIW reported an underspend of £0.334m for the year, meeting its financial duty to break-even against the Revenue Resource Limit (RRL).

The underspend during the year came from a number of sources including from within pay budgets where there have been vacant posts within the establishment and the internal costs of developing the Codi platform have been charged against the capital allocation for the year. In addition, from non-pay where there have been underspends across all directorates

Commissioning budgets were overspent, primarily in the GP Training budgets, relocation expenses and increased travel and Disabled Student Allowances (DSA) claims from students. These additional costs have been partially offset by underspends within Pharmacy, Dental and Nursing as a result of lower student recruitment in a number of areas.

The draft annual accounts were submitted to Welsh Government by the deadline of 2 May 2025.

Expenditure on the two main commissioning areas is shown in the table below. Operating costs of £52.4m relate to non-commissioning expenditure (including staff and director costs £35.6m), premises and related items (£3.2m), establishment costs (£5.1m), supplies and services (£4.2m) and other expenditure (£4.3m).

Health Professional Medical Training and Education	£'m
Student Training Fees (Universities)	70.9
Funding for Healthcare Education Fees (Health Boards and Trusts)	6.6
Student Bursaries Reimbursement (Universities)	18.4
Student Salaries Reimbursement (Health Boards and Trusts)	28.7
Advanced Practice Training fees	1.8
Healthcare Support Working Training	2.4
Non-medical Prescribing	0.3
Training related Travel and Subsistence	6.0
Disability Support Allowance	1.2
Mental Health Workforce Plan Commissioning	1.9
TOTAL	138.2

Postgraduate Medical, Dental and Pharmacy Education	£'m
Training Grade Salaries	72.3
Postgraduate Centre and Study Leave	5.0
GP Registrars	51.6
Dental Foundation Trainees	11.0
Pharmacy Training	13.0
Induction and Refresher	0.2
Welsh Clinical Academic Training	2.1
GP Continues Professional Development and Appraisal Costs	1.1
Trainee Relocation Expenses	2.7
Primary Care	1.5
Optometry	0.4
Other	1.2
TOTAL	162.1

HEIW received a strategic capital allocation of £1.574m during the year to fund the development of Codi. This is a new integrated digital system designed to streamline and enhance the management of Resident Doctors and Postgraduate Professionals across NHS Wales. The first phase of Codi received funding of £2.365m over three financial years from 2023/24 to 2025/26 and is being developed by in-house staff supported by an external delivery partner. Future development phases will incorporate additional legacy systems into the single digital eco-system.

A further strategic allocation of £0.371m was received to support the phased refresh of digital assets operated by HEIW including laptops, telephony and network infrastructure.

Both projects funded through the strategic capital allocation are essential to support the digital capability of HEIW and the staff and trainees it supports across NHS Wales.

A discretionary capital allocation of £0.100m was allocated to support other digital initiatives and minor works required at Ty Dysgu.

Capital expenditure during the year totalled £2.022m against the total Capital Resource Limit (CRL) of £2.045m, resulting in an underspend of £0.023m for the 2024/25 financial year.

In line with the HM Treasury's Government Financial Reporting Manual, the going concern basis of accounting has been adopted by HEIW in the preparation of the financial statements,

where it is anticipated that the services provided will continue into the future.

Welsh Language

As an organisation operating under the original Welsh Language Act (1993), HEIW has a published Welsh Language Scheme approved by the Welsh Language Commissioner. The process of HEIW coming under Welsh Language Standards (under the auspices of the Welsh Language Measure 2011) has commenced, and we expect this process to be completed in the coming year. Until we formally come under Standards, we will continue to work in line with our Welsh Language Scheme.

Throughout the past year, we have continued to prioritise the implementation of our Welsh Language Scheme. Our focus has been on promoting the services we provide, such as translation, and supporting the Welsh language skills of our staff.

Translation remains a cornerstone of our compliance efforts and our commitment to offering services in the language of choice for our learners and, ultimately, for patients. The Welsh Language Team continues to provide support for all departments in the form of written translations. Areas which have seen a significant increase in demand this year include the translation of job advertisements and job descriptions together with the simultaneous translation services. In 2024, our translation team processed nearly 5 million words.

More Than Just Words (MTJW), the Welsh Government initiative to improve the provision of NHS services through the Welsh language, continues to be a key focus for HEIW. Key highlights arising from MTJW are detailed below:

- The delivery of 'Opening the Door' has targeted NHS Wales leaders' awareness of the Welsh language and responsibility to develop the Welsh language services. The sessions have been offered across NHS networks in collaboration with Aberystwyth University. Over 250 have attended the courses and over 50 nurses from Aberystwyth University.
- The excellent engagement work carried out through Tregyrfa, our Welsh language careers portal, in promoting careers in the NHS to future workforce cohorts. Additionally, the Welsh language team attended and promoted Tregyrfa at the Coleg Cymraeg Cenedlaethol Careers Event for local Schools, which was attended by over 600 students.

- The creation of our Strategic Workforce Planning for the Welsh Language strategy was well received with recognition of the need for further development in this area with input from the Welsh Language Commissioner.

- The recording of Welsh language skills on ESR has improved, with completion rates rising to 85% of core staff. Among those who have completed this, 12% have identified as proficient Welsh speakers. Further work is planned on how to engage our sessional staff in this process.

Continued progress in implementing the Welsh Language Scheme is reflected in the growing number of staff learning Welsh. This year, around 70 staff members have participated in weekly Welsh lessons.

Sustainability Report

Climate Related Financial Disclosures Statement (TCFD)

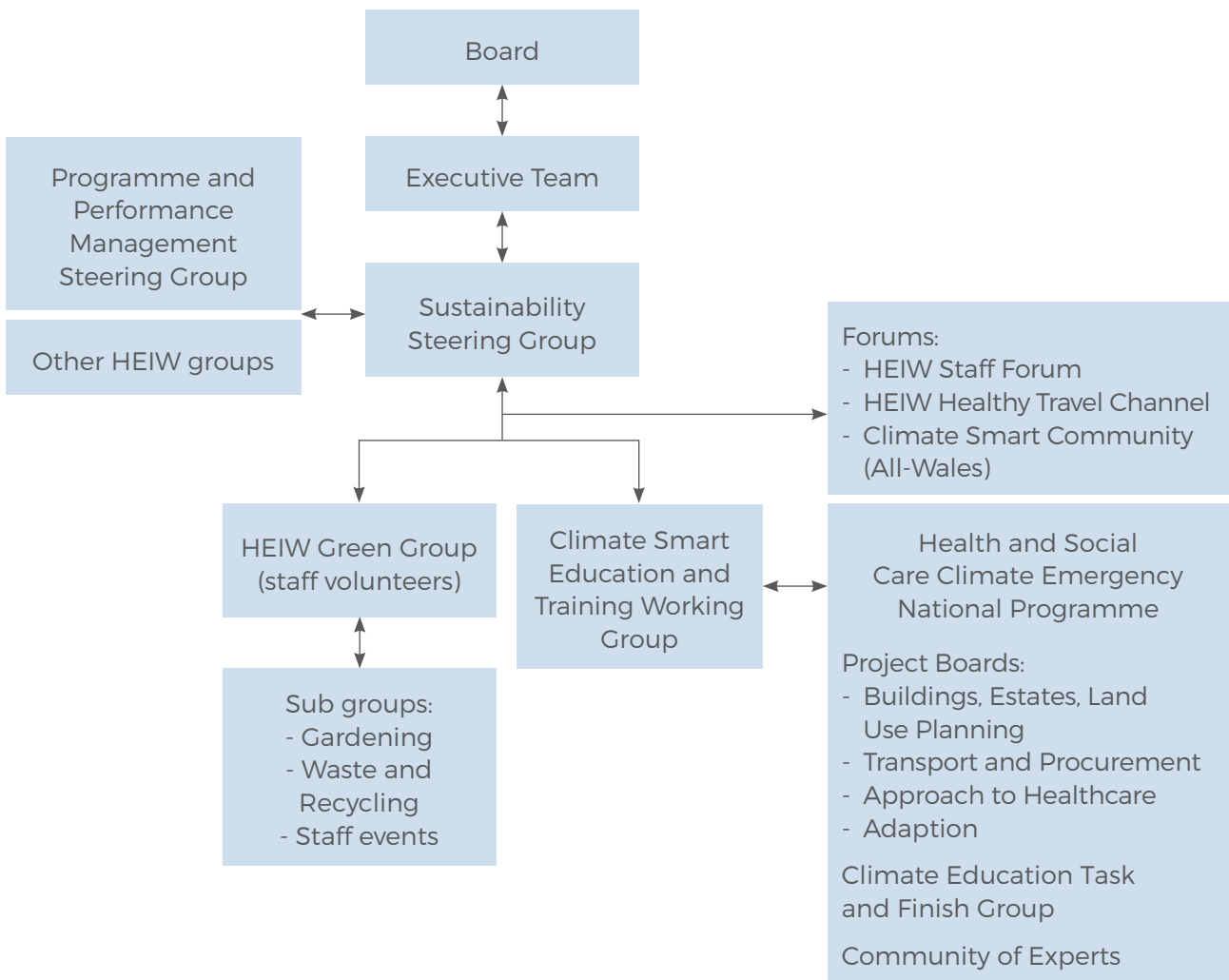
HEIW is committed to action on climate change through the reduction of emissions and planning for climate adaptation. This is being achieved via the organisation's Biodiversity and Climate Change Strategy 2021-24 (under review in 2025) and Sustainability Action Plan (SAP) 2023-25.

In 2024/25, public sector organisations in Wales have been requested to provide a TCFD Compliance Statement and the recommended disclosures for: Governance; and Metrics and Targets, only where available from existing reporting processes. The following statements fulfil this requirement.

Governance Arrangements

HEIW's executive lead for Sustainability is the Deputy Chief Executive and Director of Finance, Planning and Performance. HEIW's Senior Responsible Officer (SRO) for Sustainability, which includes climate related work, is the Assistant Director of Planning and Performance. The core group overseeing work on sustainability is the Sustainability Steering Group, chaired by the SRO for Sustainability.

The governance structure is shown below, whereby the Sustainability Steering Group reports directly to the HEIW's Executive Team and information is shared internally and externally via existing forums inside and outside of the National Programme governance structure, as required. The SAP is led by the Sustainability team and overseen by the Sustainability Steering Group, which has representation from across the organisation.



During this period, six climate-related papers were approved by the Executive Lead for Sustainability and the Executive Team, including:

- Annual emissions assessment for 2023/24 using the Welsh Government Public Sector Emissions Tool
- Bi-annual progress against NHS Wales Decarbonisation Strategic Delivery Plan
- Health and Social Care Climate Emergency National Programme annual qualitative report
- Review of approach to embedding climate-smart thinking in HEIW
- Climate Smart Education and Training Action Plan (two papers)

These regular reports keep senior leaders informed of the current position.

Current sustainability and environmental metrics are outlined in the sections below.

Annual Report Biodiversity and Decarbonisation

In 2024/25, we have continued to take a proactive approach to the biodiversity and decarbonisation agenda, raising awareness of sustainable healthcare internally and externally and delivered funded training opportunities across the system to promote action to implement sustainable healthcare in practice. We have also published the Climate Smart Education and Training Action Plan, to embed sustainable healthcare in programmes in HEIW's remit and to ensure consistency in implementation across professional pathways. The Sustainability Steering Group and Green Group have continued to deliver the priorities in the HEIW Biodiversity and Decarbonisation Strategy.

At our office, Ty Dysgu in Nantgarw, we have continued to maintain the outdoor space to protect existing biodiversity, undertaking new planting to encourage additional bird and insect species. HEIW has continued to lead monthly litter picks and collected a total of 10 full bags of rubbish from our grounds and the surrounding area in the course of the year. We have adjusted parameters using a new interface for our existing Building Management System to help us to improve environmental sustainability in building use. The organisation has continued to promote cycling as a sustainable mode of transport for staff commuting, providing up to £2,500 for cycling equipment via salary sacrifice and on-site showers. We have also established a digital

Healthy Travel communications channel for staff, as part of our commitment to working towards achieving level 1 of the Wales Healthy Travel Charter over the coming year.

In line with initiative 39 of the NHS Wales Decarbonisation Plan, we have trained a further 30 NHS Wales staff as Climate Smart Champions. This includes some dedicated places for Nurses and Midwives, to support the focus of the Climate Emergency National Programme on Nursing. We continued to develop the online 'Climate Smart Community' to provide support to Champions and others across the system interested in sustainability and membership now stands at 117 individuals.

Further information regarding climate action can be found on our website: [Climate action – HEIW](#).

Emissions and Waste

We monitor emissions and waste creation on an ongoing basis, taking account of the impact of our hybrid ways of working and our commitment under the Environment (Wales) Act 2016. As a Special Health Authority of NHS Wales, our emissions differ considerably to other NHS Wales organisations.

The latest public sector net zero emissions available are for 2023/24, where HEIW's total emissions are estimated to be 12.50 ktCO₂e. This is an increase compared to estimations for 2022/23, which was 8.30 ktCO₂e, mainly due to increases in supply chain expenditure and business travel.

Table 1 shows the costs and units for utilities/energy for 2024/25, with Table 2 providing a comparison on the previous year 2023/24. Overall there was a 2.28% reduction in electricity use lower than expected partly due to a 54% annual increase in electric vehicle charging on site. Despite a lower reduction in electricity than expected, the increased use of electric vehicle charging at site shows a commitment to the sustainability effort. There was a 12.97% decrease in gas usage from the previous year. This is due to improved building management system (BMS) parameters/operating hours, a milder winter and an overall increase in heating, ventilation and air conditioning (HVAC) maintenance issues resulting in plant being out of use. Water usage has increased by 14.87% due to a combination of factors including increased building footfall and events held on site. The HEIW Facilities Management team have also incorporated

a water hygiene maintenance programme and use water to support the maintenance of biodiversity within the estate. Waste has decreased by 10.65% coinciding with the adoption of new waste separation regulations introduced during the year. 100% of the

organisations waste has been diverted from landfill, 50% incinerated and 50% recycled. This equates to 1673 of CO2 saved, equivalent to 6 trees planted each year, one car off the road and one house powered for a year.

Table 1: Utilities (Units and Costs) 2024/25

2024/25	Electricity (KWh)	Gas (KWh)	Water and Sewerage (m3)	Waste (Tonnes)
Q1	74,194	61,701	1501	2.2
Q2	85,264	47,308	1958	1.9
Q3	74,642	99,783	1466	2.3
Q4	80,676	114,467	1326	1.6
Total units	314,776	323,259	6251	8.0
Total Cost Inc VAT (£)	£99,256	£24,746	£11,650	£4,160

Table 2 Utilities and Waste Comparison 2023/24 and 2024/25

	Electricity (KWh) 23/24	Electricity (KWh) 24/25	Gas (KWh) 23/24	Gas (KWh) 24/25	Water and Sewerage (m3) 23/24	Water and Sewerage (m3) 24/25	Waste (Tonnes) 23/24	Waste (Tonnes) 24/25
Total Units	322,042	314,776	368,109	323,259	5,386	6251	8.9	8.0
Cost (£)	£97,489	£99,256	£26,760	£24,746	£10,161	£11,650	£3,045	£4,160
Difference in units	-7,266		-44,850		+ 865		-0.9	
Difference (%)	-2.28%		-12.97%		+14.87%		-10.65%	
Difference (£)	+£1,767		-£2,014		+£1,489		+£1,115	
Difference £ (%)	+1.79%		-7.82%		+13.64%		+30.95%	

Appendix 1.1 Trends in Education and Training Commissioning

Specialty	August 2024 post numbers	Changes August 2024	Changes August 2023	Changes August 2022	Changes August 2021	Changes August 2020	Changes August 2019	Changes August 2018	Changes August 2017
Anaesthetics/ICM									
Core Anaesthetics Training/ ACCS Anaesthetics	131			+10					
Higher Anaesthetics	149		+6	+3	+3	+3			
ACCS Intensive Care	14								
Higher Intensive Care Medicine	38		+3	+4	+4	+4	+2		+4
Emergency Medicine									
Acute Care Common Stem – Emergency Medicine	34	+3	+4	+4	+2				+4
Emergency Medicine (includes PEM and PHEM)	62	+4	+4		+5	+7	+4		+2
Medicine									
Internal Medicine Training/ ACCS Acute Medicine	283		+12	+12	+15	+13			
Acute Internal Medicine	14				+2				
Audio vestibular medicine	1								
Cardiology	38								
Clinical Genetics	7			+2					
Clinical Neurophysiology	2		+1						
Clinical Oncology	28		+4	+4	+4				
Clinical Pharmacology and Therapeutics	3		+1						
Dermatology	19		+3			+3			
Endocrinology and Diabetes	24		+1						
Gastroenterology	27			+1	+2				
Genito-urinary Medicine	4								
Geriatric medicine	57		+5						+3
Haematology	18								
Immunology	1								
Medical Oncology	15		+3	+3	+3				
Neurology	20		+3						
Palliative Medicine	17		+2	+2					
Rehabilitation Medicine	2					+1			
Renal medicine	17								

Specialty	August 2024 post numbers	Changes August 2024	Changes August 2023	Changes August 2022	Changes August 2021	Changes August 2020	Changes August 2019	Changes August 2018	Changes August 2017
Respiratory Medicine	31				+2				
Rheumatology	14		+2	+2					
Surgery									
Core Surgical Training	100								
Cardio-thoracic surgery	7								
General surgery	65		+7		+4				
Neurosurgery	7				-1				
Ophthalmology	40							+4	
Oral and Maxillo-facial Surgery	11			+2					
Otolaryngology	18								
Paediatric Surgery	2								
Plastic surgery	15				+2				
Trauma and Orthopaedic surgery	50		+5				+4		
Urology	20				+4				
Vascular surgery	10				+1				
Pathology									
Chemical pathology	4								
Histopathology	21			+1					+2
Infectious diseases	2								
Medical Microbiology and Infectious Diseases	22		+3	+3	+3	+3			
Paediatric and Perinatal pathology	1			-1					+1
Psychiatry									
Core Psychiatry Training	109	+8	+8	+8					
Child and Adolescent Psychiatry (run through)	2	+2							
Child and Adolescent Psychiatry	18		+2	+4					
Forensic Psychiatry	7		+1						
Old Age Psychiatry	15		+2	+2		+2	+2		
General Psychiatry	31		+2						
Psychiatry of Learning Disability	5								
Imaging and Radiology									

Specialty	August 2024 post numbers	Changes August 2024	Changes August 2023	Changes August 2022	Changes August 2021	Changes August 2020	Changes August 2019	Changes August 2018	Changes August 2017
Clinical Radiology	112		+5	+15	+10	+10	+4	+7	+11
Interventional Neuro Radiology	1			+1					
Nuclear medicine	1								
Women's Health									
Obstetrics and gynaecology	95				+2				
Community Sexual and Reproductive Health	4			+2					
Paediatrics	157	+4		+4	+6	+4			
Public Health Medicine	23		+3	+2					
	1935			+90	+73	+50	+14		
Foundation Training									
Foundation Year 1	450		+39	+30	+30	+12			
Foundation Year 2	411		+30	+30	+12				

Appendix 1.2 Health Professional Commissioning Trends

The trends in commissioning and training numbers for health professional in Wales from 2017 to 2024 are detailed below.

Staff Group	2024	2023	2022	2021	2020	2019	2018	2017
Pre Registration Nursing	2400	2701	2202	2202	1,987	1,911	1,911	1,750
Midwifery	224	190	185	185	161	134	134	134
District Nurses	65	80	80	80	80	80	80	80
DN (Modules)	149	123	123	123	123	123	123	123
Health Visitors	82	92	92	92	92	92	90	82
Health Visitors (Modules)	22	30	30	30	30	30	30	40
CPNs	0	30	30	30	30	30	30	39
CPN (Modules)	20	60	60	60	60	60	60	40
CLDNs	0	0	0	0	0	0	0	0
CLDNs (Modules)	0	10	10	10	0	10	10	10
School nurse	30	30	30	30	19	19	19	19
School nurse (modules)	0	0	0	0	3	3	3	3
Practice nurses	10	30	30	30	20	20	20	20
PN (Modules)	30	50	50	50	29	29	29	29
CCN (p/t)	10	0	0	4	0	0	0	0
SCPHN Occupational Health (Part time)								
Community Mental Health Nursing (Part time)								
Community Mental Health Nursing (Modules)								
Paediatric nurses	0	0	0	0	7	0	0	16
CNN (Modules)	25	24	24	24	10	24	24	24
Occupational Therapists	197	197	179	179	163	133	133	121
Physiotherapists	180	180	174	174	164	147	147	134
Speech and Language Therapy	55	49	49	49	49	44	44	0
Dietetics	55	60	40	40	40	30	30	30
Post grad. Dietetics	20	22	20	20	20	12	12	12
Podiatry	27	27	27	27	24	24	24	24
Orthoptics	0	0	0	0	5	5	5	5
Clinical Photography (new for 24-25)	11	9	0	0	0	0	0	0
Medical Photography	0	0	0	7	5	5	5	5
ODPs	69	62	49	49	49	49	49	49
Surgical Care Pracs	0	0	0	0	0	0	0	0
Physicians Associate	52	57	54	61	60	42	32	32

Staff Group	2024	2023	2022	2021	2020	2019	2018	2017
Clinical Psychologists	44	40	36	32	29	27	27	27
Pharmacists – Pre Reg.				160	40	50	41	41
Pharmacists Dip and Techs				77	99	85	75	75
Dental Hygienists	30	30	33	18	18	18	18	18
Dental Therapists (including 15 places on new 1 year conversion programme in 2025)	29	15	13	13	13	13	13	13
Ambulance Paramedics	127	120	116	105	115	85	76	86
Diagnostic Radiographers	125	140	140	166	140	112	112	112
Therapeutic Radiographers	18	20	26	26	22	20	20	20
Asst Practitioners Radiography	10	10	12	12	12	12	12	12
PTP								
BMS – Blood/Infection/ Cellular/Genetics	28	26	25	25	24	21	21	21
HE Cert in Audiological Practice	8	10	15	13	15			
Clinical Physiologists – Cardiac Physiology/ Audiology/Respiratory and Sleep Science	49	48	44	44	39	45	47	47
Neuro Physiology	4	4	3	3	4	3	3	3
Medical Radiation Techs – Nuclear Medicine and Radiotherapy Physics	6	6	3	6	3	3	3	3
Clinical Engineering in Rehab	2	6	4	4	2	3	3	2
Medical Engineering	2	0	4	4	0	0	0	0
STP								
Audiological Scientists/ Neurosensory Sciences	7	5	5	5	6	6	3	3
Neurophysiology	3	2	2	2	0	2	2	
Respiratory and sleep science	7	6	2	2	1	3		
Reconstructive Science	1	1	1	0	0	1		
Cardiac Physiology	7	9	7	7	3	1	3	
Haematology and Transfusion Science	0	1	0	0	1			
Biochemists/Blood Sciences	1	1	1	0	4	2	0	3
Cytogeneticists (course replaced with Genomics)	0	0	0	0	0	0	0	0

Staff Group	2024	2023	2022	2021	2020	2019	2018	2017
Medical Physics/ Radiotherapy Physics/ INIR/IIR	9	11	8	11	7	3	3	4
Molecular Geneticist/ Genomics/	3	1	2	1	1	1	1	1
Cancer Genomics	2	1	1	1	1	1	1	
Genomic (Genetic) Counselling	0	1	0	1	2			
Bioinformatics/Clinical Scientific Computing	3	5	2	1	1	1	2	1
Tissue Typing/Immunology/ Histocompatibility	0	0	1	0	0	0	0	0
Clinical Engineering/DRMG	4	5	4	3	2	1	2	4
Cellular Science/ Histopathology/ Embryology/Andrology	0	2	0	1	1	2	0	0
Infection Science - Clinical Microbiology	4	0	0	0	2	0	3	3
Clinical Pharmaceutical Science	1	2	3					
Vascular Science	1							
HSST								
Life Sciences - Genetics/ Genomics	0			0	0	0	0	1
Microbiology/infection	5	1	1	2	1	0	1	
Life Sciences - Molecular Pathology of acquired disease	0			0	0	0	1	0
Life Sciences - Clinical Biochemistry	0	1	1					
Physical Sciences and Biomedical Engineering - Medical Physics (Radiotherapy/Radiation Protection)	5	1	1	2	1	1	1	1
Physical Sciences and Biomedical Engineering - Clinical Biomedical Engineering	1			0	0	1	0	1
Bioinformatics/Clinical Scientific Computing/ Health Informatics			1	2	0	1		
Physiological Science (Audiology/Vascular/ Cardiac/Respiratory and Sleep/Neurophysiology)	8	1	5	0	1	0	0	1

Staff Group	2024	2023	2022	2021	2020	2019	2018	2017
Histocompatibility and Immunology	0	1		0	3	1	0	1
Clinical Biochemistry	0							
Virology	0							
Transfusion Science/ Haematology	1	1	1	0	0	0	1	



Accountability report and accounts

2024/25

The background is a solid teal color with several overlapping, semi-transparent, curved shapes in a lighter shade of teal. These shapes are arranged in a way that suggests movement or a stylized globe, with some shapes appearing to wrap around others.

Corporate governance report

Governance statement for the period ended 31 March 2025

The Corporate Governance Report provides an overview of the governance arrangements and structures in place across Health Education and Improvement Wales (HEIW) during 2024/25. It includes:

The Governance Statement

The Governance Statement (below) sets out the governance arrangements and structures and brings together how the organisation manages governance, risk and control.

The Directors' Report

The [Director's Report](#) (page 85) provides details of the Board who have authority or responsibility for directing and controlling the major activities of HEIW during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where appropriate.

The Statement of Accountable Officers' Responsibilities and Statement of Directors' Responsibilities

The Accountable Officer, Chairman and Executive Director of Finance [confirm their responsibilities](#) in preparing the financial statements and that the Annual Report and Accounts as a whole, is fair, balanced and understandable.

1. Scope of Responsibility

The Board of HEIW is accountable for governance, risk management, and internal control. The Chief Executive Officer (CEO) has responsibility for maintaining appropriate governance structures and procedures, as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which the CEO is personally responsible. These are carried out in

accordance with the responsibilities assigned to the CEO as Accountable Officer by the Chief Executive of NHS Wales.

The Annual Report outlines the different ways the organisation has worked both internally and with partners in response to the unprecedented pressure in planning and providing services. HEIW recognises the risks which have faced higher education institutions in Wales including those of financial sustainability, student enrolment, reduction in funding and the challenges in international recruitment.

The Annual Report explains the arrangements for ensuring standards of governance are maintained, risks are identified and mitigated, and assurance has been sought and provided.

Where necessary, additional information is provided in the Governance Statement, however, the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

The background to HEIW, its functions and the [Integrated Medium-Term Plan \(IMTP\) 2024/27](#) (page 31) is set out in the Performance Report.

This Governance Statement explains the composition and organisation of HEIW's governance structures and how they support the achievement of our objectives.

During 2024/25, we have continued to further develop our system of governance and assurance. During the year we have reviewed HEIW's Strategic and Corporate Risks. Our Board Assurance Framework is outlined in the [Purpose of the System of Internal Control](#) (page 69) section and it will continue to evolve in 2025/26.

The Board sits at the top of our governance and assurance system. It sets strategic aims, monitors progress, agrees actions to achieve these objectives and ensures appropriate controls are in place and working properly. The Board also takes assurance from its committees, assessments, against professional standards and regulatory frameworks.

In accordance with the Public Bodies (Admissions to Meetings) Act 1960, the organisation is required to meet in public.

Since September 2022, all Board and Committee meetings have been held face-to-face at Ty Dysgu. Members of the public have been able to register and attend Board and Committee meetings online which has led to an increase in the number of people viewing these meetings.

Reporting period

The reporting period for this Governance Statement is primarily focussed on the financial year from 1 April 2024 to 31 March 2025. However, it also includes reporting on material issues that have taken place between 31 March 2025 and the date that the Governance Statement was approved by the HEIW Board on 26 June 2025.

2. Our Governance Framework

Our vision is “transforming the workforce for a Healthier Wales”.

Our purpose is, “as part of the NHS, to work with partners to develop a skilled and sustainable workforce that improves care and population health”.

As a workforce-focused organisation, our culture and the way we do business are very important to us, and together with our staff we have developed our organisational values. This provides the internal operating context for delivering our planned activity. The organisation has worked hard to embed quality, equality, diversity, and inclusion in all that we deliver. Our Values and Behaviour Framework is on our website at <https://heiw.nhs.wales/about-us>.

Respect for all: in all contact that we have with others.

Together as a team: we will work with partners across NHS Wales and partner organisations.

Ideas that improve: harnessing creativity and continuously innovating and evaluating.

As a Special Health Authority our unique contribution or “added value” is to address strategic and specialist workforce opportunities and risks that affect workforce demand and supply through our statutory functions.

HEIW’s statutory functions include:

- Planning, commissioning and delivering education and training
- Leadership, culture and succession planning
- Workforce strategy, planning and intelligence
- Workforce development and transformation
- Attraction, careers and widening access
- Professional support for workforce and organisational development

HEIW, in line with all Health Boards and Trusts in Wales, has agreed standing orders for the regulation of proceedings and business of the organisation. These are designed to translate the statutory requirements set out in the HEIW (Establishment and Constitution) Order 2017 into day-to-day operating practice. Together with the adoption of a scheme of matters reserved to the Board; a scheme of delegation to officers and others; and standing financial instructions, they provide the regulatory framework for the business conduct of HEIW and define its ‘ways of working’. These documents, together with the range of corporate policies set by the Board, make up the Governance and Assurance Framework. These documents can be found on our website at <https://heiw.nhs.wales/about-us/key-documents/>.

Our Standards of Behaviour Policy was approved by the Board on 28 March 2024. Work has continued during 2024/25 in respect of communication and to ensure that declarations are up to date to proactively manage any conflicts of interest that might arise for our Board members and staff.

2.1 The Role of the Board

The Board has been constituted to comply with the Health Education and Improvement Wales Regulations 2017. In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Independent Members also fulfil a number of Champion roles where they act as ambassadors (see [Appendix 1 Board and committee membership and attendance](#) – page 86.)

The Board is made up of independent members and executive directors.

There have been a number of changes to the Executive Team during 2024/25 due to departures and changes in portfolios. Pushpinder Mangat, Medical Director was seconded into the role of interim Deputy Chief

Medical Officer for Welsh Government on 31 May 2024. Tom Lawson was appointed as Acting Medical Director for a period of one year on 1 June 2024.

Julie Rogers the Director of Workforce and Organisational Development/Deputy CEO left HEIW on 30 June 2024. Glyn Jones, Director of Finance, Planning and Performance, was appointed Deputy Chief Executive for a one-year term starting 1 July 2024. Helen Watkins was appointed as Director of Workforce and Organisational Development on 1 August 2024.

The communications and engagement portfolio was transferred to Sian Richards from 1 June 2024 who is now the Director of Digital, Data and Engagement. The Board approved the creation of a new role of Director of Education Strategy and Transformation in 2024/25 to balance workload in the Executive Director of Nursing and Allied Health Professionals portfolio and to ensure that the organisation had in house education expertise at Board level. Dr Ian Mathieson commenced his role as Director of Education Strategy and Transformation on 1 July 2024. Both of these director roles, together with the executive directors and the Board Secretary, are members of the Executive Team. In addition, the Director of Digital, Data and Engagement and the Director of Education Strategy and Transformation have a standing invitation to Board meetings where they can contribute to discussions, but do not have voting rights.

Judith Hardisty commenced her term as an Independent Member on 1 July 2024 following a successful public recruitment process in November 2023. On 31 January 2025, Gill Lewis' term of office as Independent Member came to an end. Following Gill Lewis' end of term, John Gammon was appointed as the Vice-Chair of the HEIW Board on 1 February 2025.

Alun Lloyd was appointed as an Independent Member on 1 April 2025 following a successful recruitment process in February 2025.

During 2024/25 several Board Development Sessions were undertaken which included a focus on the following elements of governance:

- Risk Appetite and Risk Tolerance
- Board's self-assessment of its own effectiveness
- Strategic Risks
- Anti-racism

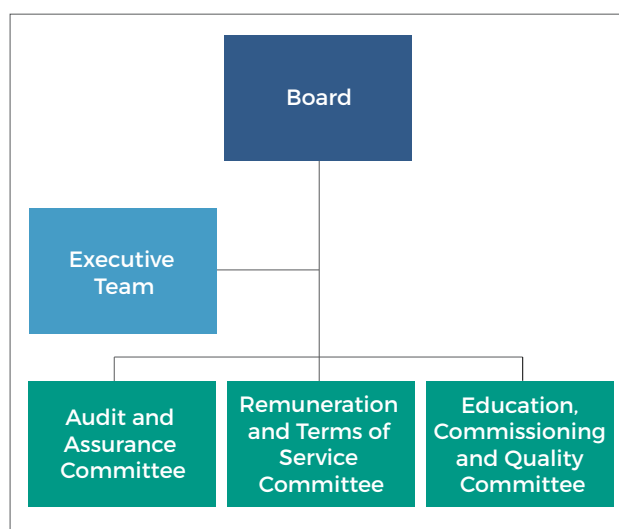
In addition, during 2024/25 four briefing meetings were convened for the Board to

consider the following areas:

- Physician Associates Update
- The draft Education and Training Plan 2025-26
- Update on Medical Directorate Quality Management Processes
- Update on the Integrated Medium Term Plan 2025-28

The full membership of the Board, their lead roles and committee responsibilities are outlined in Appendix 1 Board and committee membership and attendance (page 86).

Below is a summary of the Board and committee structure:



The Board provides leadership and direction to the organisation and has a key role in ensuring the organisation has sound governance arrangements in place. The Board also seeks to ensure the organisation has an open culture and high standards when conducting its work. Together, Board members share corporate responsibility for all decisions and play a key role in monitoring the performance of the organisation. All the meetings of the Board during 2024/25 were deemed, when held, to be appropriately constituted with a quorum. The key business and risk matters considered by the Board during 2024/25 are outlined in this statement and further information can be obtained from meeting papers available on our website: <https://heiw.nhs.wales/about-us/board-and-committee-meetings/>.

2.2 Committees of the Board

The Board has established three committees, the Audit and Assurance Committee, the Remuneration and Terms of Service Committee, and the Education Commissioning and Quality Committee. These committees

are chaired by the Chair of the Board or independent members and have key roles in relation to the system of governance and assurance, supporting decision making, scrutiny and in assessing current risks. The committees provide assurance and key issue reports to the Board to contribute to the Board's assessment of assurance and to provide scrutiny on the delivery of objectives.

The Board is responsible for keeping the committee structure under review and reviews its standing orders on an annual basis. The Board will consider whether any changes are needed during 2025/26 in line with the Board's governance framework and priorities of the Integrated Medium Term Plan 2025/2028.

HEIW is committed to openness and transparency with regard to the way in which it conducts its committee business. The HEIW Board and its committees aim to undertake the minimum of its business in closed sessions and ensure business wherever possible is considered in public with open session papers published on HEIW's website <https://heiw.nhs.wales/about-us/board-and-committee-meetings/>.

The closed session elements of Board and committee meetings are undertaken because of the confidential nature of the business. Such confidential issues may include commercially sensitive issues, personal issues or discussing plans in their formative stages.

HEIW's governance arrangements were strengthened during 2024/25. The processes for meetings were streamlined through the introduction of consent agendas for Committee meetings starting from March 2025, facilitating the efficient handling of routine matters and allocating dedicated time to address strategic and higher-priority issues.

The template used for Committee highlight reports to the Board has been reviewed and the Alert, Advise, Assure Highlight Report was introduced in April 2025, providing a concise summary of key issues, enabling the Board to grasp critical information and make informed decisions.

2.2.1 Audit and Assurance Committee

An important committee of the Board in relation to this Governance Statement is the Audit and Assurance Committee. The Committee keeps under review the design and adequacy of HEIW's governance and assurance

arrangements and its system of internal control. During 2024/25, key issues considered by the Audit and Assurance Committee relating to the overall governance of the organisation included:

- Reviewing the draft Annual Accounts for 2023/24.
- Reviewing procurement compliance, reviewing procurement activity undertaken to support operation activity, and reviewing the procurement compliance annual report.
- Revisiting its terms of reference, which will be kept under regular review.
- Approving the Internal Audit Plan for 2024/25 and keeping under review the resulting Internal Audit Reports. Noting key areas of risk and tracking the management responses made to improve systems and organisational policies. The 2025/26 Internal Audit Plan was also approved by the Committee.
- Providing assurance of appropriate oversight of the policy lifecycle.
- Considering the 2023/24 Complaints and Concerns Annual Report.
- Approving the Counter Fraud Annual Plan 2024/25, noting the 2023/24 Counter Fraud Annual Report and keeping under review the resultant counter fraud work.
- Ensuring effective financial systems and controls procedures are in place.
- Further developing the Board's risk management systems and processes and monitoring the same including review of revisions to the Risk Management Policy.
- Reviewing HEIW's Standing Orders, Board Assurance Framework and HEIW's Declaration of Interest Register and Gifts, Hospitality and Sponsorship Register.
- Considering, the 2024 Structured Assessment, the findings from the Audit Wales Review of Cost Improvement Arrangements, the 2024 Audit Wales Annual Report, and Audit Wales' 2024 Audit Plan.
- Providing assurance to the Board in respect of Information Management and Information Governance, reviewing the Senior Information Risk Owner Annual Report 2023/24, Information Governance Toolkit and receiving regular updates on cyber security.

- Self-assessment and review of Committee effectiveness.

The committee provides an Annual Report of its work to the Board and undertook a self-assessment for 2024/25 at its meetings in February and April 2025. A questionnaire based on the National Audit Office Audit and Risk Committee Checklist was developed and circulated to committee members and attendees. The self-assessment identified three areas of focus including timeliness and scheduling of meetings, participation and engagement in respect of a broader range of individuals attending the Committee and obtaining a greater insight into risks beyond HEIW's direct control. A self-assessment action plan has been developed in response to the findings of the self-assessment process.

2.2.2 Remuneration and Terms of Service Committee

The Remuneration and Terms of Service Committee considers and recommends to the Board salaries, pay awards and terms and conditions of employment for the Executive Team and other staff. During 2024/25 key issues considered by the Remuneration and Terms of Service Committee included:

- Review of its own terms of reference
- Performance of executive directors against individual objectives
- National pay awards for Junior Doctors, Specialist, Associate Specialist and Speciality Doctors and Consultants Pay
- Implementation of the NHS Pay Awards for 2024/2025
- Recruitment and appointment of senior staff
- Consideration of casework updates and actions in line with employment policies
- Real living wage update
- Adoption of the NHS Wales Protocol for recognising continuous service
- Sickness absence rates update
- Supporting staff on fixed term/temporary employment contracts (Section 16 Staff)

2.2.3 Education, Commissioning and Quality Committee

The Education, Commissioning and Quality Committee enables the Board to undertake greater scrutiny in respect of commissioning, monitoring and quality assessing of education and training. The committee considered the following key matters in 2024/25:

- Reviewed its own terms of reference.
- Reviewed the draft NHS Wales Education, Commissioning and Training Plan for 2025/26 and recommended the Board approve the Plan.
- Received an Education and Training Task and Finish Group close down report.
- Received assurance reports on education and procurement activity including the tender processes for Phase 2 of Health Professional Education Contracts.
- Considered and made recommendations of approval to the Board in respect of Phase 2 Health Professional Education Contracts.
- Reviewed education and procurement activity in relation to Phase 1 and 2 of the strategic review of education activity and progress.
- Received quality assurance updates in respect of medicine, dental, pharmacy, optometry and nursing and health professionals.
- Received updates on escalations and areas of concern highlighted through performance monitoring arrangements and through the concerns and complaints management process.
- Received an Independent Prescribing and Quality Report.
- Received updates in respect of the work undertaken by the Stakeholder Reference Group.
- Self-assessment and review of Committee effectiveness.

The committee provides an Annual Report of its work to the Board and undertook a self-assessment for 2024/25 at its meetings in November 2024 and March 2025. The self-assessment identified five areas of focus including developments in governance alignment, operational agility, stakeholder inclusion, consistency and quality and risk management.

2.3 Advisory Groups

2.3.1 Stakeholder Reference Group

Our Stakeholder Reference Group continued to support the Board with advice and discussion across the range of its functions.

Our Stakeholder Reference Group continues to facilitate engagement, dialogue and advice from stakeholders to support the Board and inform HEIW's strategic planning and decision making. This year, crosscutting topics have

included the education and training plan, Integrated Medium Term Plan, developments in artificial intelligence and digital capability, retention, culture and leadership plus cancer workforce priorities.

Discussions have stimulated debate, provided valuable evidence and insights, plus ideas strengthening our work, ensuring quality and challenges are addressed through a collaborative approach.

2.3.2 Local Partnership Forum

The HEIW Local Partnership Forum (LPF) provides the formal mechanism for social partnership within HEIW. It is the formal method for engagement, consultation, negotiation and communication between the trade unions and HEIW management and ensures continued partnership working. The LPF is scheduled to meet bi-monthly to deal with a range of operational and strategic issues.

The LPF has received presentations on and considered a range of topics through 2024/25 which included:

- Agile Working
- The IMTP
- Staff Survey
- The Welsh Race Equality Standard
- Social Partnership and Public Procurement (Wales) Act 2015
- The Education and Training Plan 2025/26
- UNISON's Admin Charter for Change
- A Leadership Update
- WHC Non Pay Implementation 2022-25 collective agreement
- Living Wage Accreditation

The LPF terms of reference is reviewed annually.

Through 2024/25 the LPF remained part of the formal policy approval process for HEIW, supporting the work of the Policy Review group and reviewed 6 policies.

2.4 Membership of the Board and its Committees

In [Appendix 1](#) (page 86.) the membership of the Board and its committees is outlined for the year end 31 March 2025, along with attendance at Board and committee meetings for this year. Members are involved in a range of other activities on behalf of the Board, such as regular development and briefing meetings, and a range of other internal and external meetings.

Any proposed changes to the structure and membership of Board Committees requires Board approval. The Audit and Assurance Committee, the Education Commissioning and Quality Committee, and the Remuneration and Terms of Service Committee have considered their own terms of reference. The Board will ensure that terms of reference for each committee are reviewed annually to ensure the work of committees clearly reflects any governance requirements, changes to delegation arrangements or areas of responsibility. The Audit and Assurance Committee and the Education Commissioning and Quality Committee are also required to develop annual reports of their business and activities.

3. The Purpose of the System of Internal Control

HEIW's Board system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of HEIW policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically.

The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the Annual Report and Accounts. We use the Board Assurance Framework system and process to monitor, seek assurance and ensure that shortfalls are addressed through the scrutiny of the Board and its Committees. Oversight of our Corporate Risk Register system is provided through scrutiny and monitoring by the Board and its Committees. The effectiveness of the system of internal control is assessed by our internal and external auditors. A diagram of the Board Control Framework is set out below.

Levels of Assurance

First line: operational

- Organisational structures – evidence of delegation of responsibility through line Management arrangements.
- Compliance with appraisal process.
- Compliance with policies and procedures.
- Incident reporting and thematic reviews.
- Compliance with Risk Management processes and systems.
- Performance Reports, Complaints and Trainee Experience Reports, Finance Reports.



Second line: risk and compliance

- Reports to Assurance and Oversight Committees.
- Audit and Assurance Committee.
- Education Commissioning and Quality Committee.
- Remuneration and Terms of Service Committee.
- Health and Safety Groups etc.
- Findings and/or reports from inspections, Annual Reporting, Performance report through to Committees.



Third line: independent

- Internal Audit Plan
- Audit Wales
- External Audits (e.g. Annual Accounts and Annual Report)
- Healthcare Inspectorate Wales Inspections
- Regulators
- Reviews and Reports by Royal Colleges
- External visits and accreditations
- Independent Reviews

4. Capacity to Handle Risk

We have continued to develop and embed our approaches to risk management and emergency preparedness throughout 2024/25. Our Risk Management Policy is reviewed on an annual basis and was reviewed and approved by the Board in November 2024.

HEIW's risk appetite statement was reviewed by Board in March 2025. The statement set out below describes the risks it is prepared to accept or tolerate in the pursuit of its strategic aims:

'HEIW recognises that, as an improvement based organisation, it is impossible for it to deliver its services and achieve positive outcomes for its stakeholders without a high appetite for risk. Indeed, only by taking risks can HEIW realise its aims.

HEIW nevertheless recognises that its appetite for risk will differ depending on the activity undertaken. Its acceptance of risk will be based on ensuring that potential benefits and risks are fully understood before decisions on funding are made, and that appropriate actions are taken.

HEIW's risk appetite considers its capacity for risk, which is the amount of risk it is able to bear (or loss we can endure) having regard to its financial and other resources, before a breach in statutory obligations and duties occurs.'

Consideration of Strategic Risks and Corporate Risk both form part of the Board Assurance Framework. While they are complimentary, they do not cover the same areas. Strategic Risks are fundamental risks to an organisation's Strategic Aims. These risks are embedded and do not change much in the course of a year. Corporate Risks identify more precise day-to-day activities and are more likely to change over the course of the year.

HEIW's risk tolerance in respect of each of its statutory functions is incorporated within the Corporate Risk Register. This will ensure a consistent, integrated approach whereby all risks are clearly linked to organisational objectives with a line of sight to the Board Assurance Framework.

HEIW's strategic risks are reviewed by the Board on an annual basis to ensure they continue to align with our Integrated Medium Term Plan. The key strategic risks for HEIW are outlined below.

HEIW Strategic Risks 2024/25

1	<p>Sufficient workforce supply and skills for HEIW. Given the specialist nature of our organisation, and the changing underlying financial environment, there is a risk that HEIW may find difficulties in retaining and recruiting the expert skills and capacity needed to deliver on the organisation’s ambitions. This could be caused by market forces in for example specialist education, data and digital disciplines. Within a more challenging financial position, there will be a need for greater emphasis on utilising staff resource flexibly and increased focus on matrix working.</p>
2	<p>Effective stakeholder engagement in the development and implementation of our strategic objectives. The successful achievement of our ambitions requires extensive engagement and partnership with a complex and significant number of stakeholders. If we do not invest time and energy in maintaining our relationships, then there is a real risk that we will not achieve buy-in from our partners and our work won’t be informed by service need.</p>
3	<p>Achievement of statutory financial duty: operating effectively within available revenue resources. The challenging underlying financial environment across the NHS in Wales may impact upon HEIW’s position in several areas. Securing Welsh Government funding to deliver the recommended Education and Training Plan may become more challenging. Should Welsh Government not adopt the recommendation then a more flexible approach will be required to commission education and training priorities within agreed funding allocation. This in turn will impact on the capacity of education providers to deliver commissioned levels.</p> <p>Additionally, the impact of the cost of living and student choice may reduce the bursary uptake. Within HEIW, the challenging funding environment may impact on the prioritisation of organisation running costs and programme costs within our funding allocation.</p>
4	<p>Organisational memory. As we approach our 5th anniversary, there is a real risk that we begin to see an increase in turnover of some of our original senior leaders and Board members. The impact of this would be a loss of organisational memory representing a risk to the organisation and to the Board’s level of understanding of the organisation.</p>
5	<p>Interface with Welsh Government. If the interface with Welsh Government, the NHS Executive and in respect of the delivery of the National Workforce Implementation Plan is not effective, this could impact on access to resources, delivery, and upon HEIW’s good working relationship with Welsh Government and other partners.</p>
6	<p>Change in the shape of the working population demographic will lead to a smaller percentage of the overall population of a working age and will require different solutions from HEIW.</p>

The organisation has a Strategic Risks Control Framework, which identifies and maps the controls and key sources of assurance against HEIW’s Strategic Risks.

4.1 Risk Management

The Board sees active and integrated risk management as key elements of all aspects of our functions and responsibilities, especially to support the successful delivery of our business.

The Chief Executive as the Accountable Officer has overall responsibility for the management of risk for HEIW. The Board and its committees identify and monitor risks within the organisation. Specifically, Executive Team meetings present an opportunity for the executive function to consider and address risk and actively engage with and report to the Board and its committees on the organisation's risk profile. The Corporate Risk Register is reviewed monthly by the Executive Team, and quarterly by the Audit and Assurance Committee. The Board receives a copy of the Corporate Risk Register for noting at every meeting and undertakes a review of the Corporate Risk Register twice a year. Risks are escalated to the Board as appropriate.

At an operational level, executive directors are responsible for regularly reviewing their Directorate Risk Registers and for ensuring that effective controls and action plans are in place for monitoring progress.

4.2 HEIW's Risks

The Corporate Risk Register is continuously updated to capture HEIW's risks as they are identified. Key risks that have been managed during 2024/25 are outlined below:

- The Cybersecurity risk was reassessed during 2024/25 and the residual score reduced, however the risk continued to be assessed as a red risk. Work focused on reducing HEIW's cyber security risk profile while improving cyber security and resilience. To mitigate this risk, HEIW continued to implement the Cyber Security Plan, updated the Cyber Security staff information Hub, and continued to roll out the Cyber Security Implementation Plan which included the roll out of the cyber security hub. A cyber security internal audit was also completed which received substantial assurance.
- Welsh Government funding of the Education and Training Plan (ETP) 2025/26 being maintained at the current level, requiring education and training to be prioritised and impacting on future workforce supply. To mitigate this risk, there was ongoing dialogue with Welsh Government on the ETP prior to and following submission and a methodology for prioritising education and training across the range of healthcare professions was developed.
- The Education and Training Plan (ETP) 2025/26 being approved following the commencement of national recruitment processes impacting on future workforce supply. To mitigate this risk HEIW has continued to have open dialogue with Welsh Government on the ETP prior to and following submission. This risk nevertheless materialised and became an issue until the ETP was approved in January 2025.
- Education providers not being able to recruit to the Mental Health Nursing Spring cohorts could result in a risk to the future supply of Mental Health Nurses to the NHS Wales workforce. To mitigate the risk, contract performance was monitored, escalation processes followed, commissions dispersed to other providers, student international recruitment scoped, and a mental health nursing recruitment campaign established.
- Professional bodies not supporting the Physician Associate role impacting on future recruitment, retention and training. To mitigate the risk, a Medical Associate Professions oversight group was established, the General Medical Council process towards regulation was promoted, an annual physician associate conference took place, an NHS Wales led group was established, and there continued to be regular communication with health boards and Welsh Government.
- Resource capacity and capability within the data and analytics team not being increased, resulting in dashboards and insights not being delivered. To mitigate the risk a resource risk report, a standard operating procedure review and an upskilling and training review was completed. Professional services were also procured to aid with the delivery of the data ecosystem build.
- If the outcome of the consultation launched by Cardiff University on the future of its Nursing provision leads to changes in its nurse education provision, then this may destabilise Nurse recruitment impacting the September 2025 cohort and the experience

of existing students. To mitigate the risk, weekly meetings with Cardiff University were put in place, early scenario planning was initiated and communications with other regional providers was established and maintained.

Further information can be found in the Board papers on our website: <https://heiw.nhs.wales/about-us/board-and-committee-meetings/>.

The Board is also committed to ensuring staff throughout the organisation are trained and equipped to appropriately assess, manage, escalate and report risk. HEIW managers have continued to receive internal training on risk during 2024/25.

4.3 Crisis Management and Business Continuity

HEIW has a Crisis Management and Business Continuity Policy and plan in accordance with the Civil Contingencies Act and the Emergency Planning Guidance as issued by Welsh Government.

The HEIW Crisis Management and Business Continuity Policy and plan has been in operation throughout 2024/25 and was refreshed in September 2024 to ensure it remains fit for purpose in the face of a range of possible scenarios.

In line with the Crisis Management and Business Continuity Policy and plan, the Crisis Management Team (CMT) in HEIW, has the role of monitoring the impact and co-ordinating the management of the risks arising. The CMT has also ensured the Executive Team and Board are regularly briefed and have assessed if any risks should be escalated and included within the corporate risk register.

No major incidents occurred during 2024/25 and therefore the CMT was not stood up during this period for this purpose. The CMT did meet once in October 2024 to complete testing on the Crisis Management and Business Continuity Plan.

The focus of the refresh for 2024 was to review the overall arrangements including dealing with our IT systems should they become unavailable for any reason particularly a cyber-attack.

An external company was procured to undertake business impact analysis alongside area leads to assess their local arrangements. Teams have subsequently been working on

the development of Local Business Continuity Plans. These will be used to inform testing that will then take place on an annual basis and reported to the Executive Team.

HEIW continues to work closely with a wide range of partners, including the Welsh Government as it continues with its response and planning into the recovery phase. It will be necessary to ensure this is underpinned by robust risk management arrangements and the ability to identify, assess, and mitigate risks which may impact on the ability of the organisation to achieve its strategic aims.

HEIW continue to operate a 2:3 working model based on full time office-based staff working from Ty Dysgu two days a week and from home three days week. This has been in place since 2022 as response to the impact of the cost-of-living crisis.

5. The Control Framework

NHS Wales organisations are not required to comply with all elements of the corporate governance code for central government departments. However, an assessment was undertaken against the main principles as they relate to NHS public sector organisations in Wales and of the Governance, Leadership and Accountability Standard. In response to last year's self-assessment the Board has focussed on the following areas:

- Managing the Board transition process
- Reviewing the methodology for responding to the self-assessment questionnaire
- Supporting the Welsh Government initiative to develop Independent Member with ethnic minority background.

The information provided in this governance statement also provides an assessment of how we comply with the main principles of the Code as they relate to HEIW as an NHS public sector organisation. The Board recognises that not all reporting elements of the Code are outlined in this governance statement but are reported more fully in the organisation's wider Annual Report. The Board is satisfied that it is complying with the main principles of the Code and is conducting its business in an open and transparent manner in line with, the Code. There have been no reported departures from the Corporate Governance Code.

The corporate governance code for central government departments can be found at:

<https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>

HEIW's risk management framework complies materially with the Orange Book, the public sector guide outlining the major principles on the Management of Risk, taking into account the organisation's size, structure and needs. There have been no reported departures from the Orange Book.

The Orange Book can be accessed at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/815635/Orange_Book_Management_of_Risk.pdf

The Health and Care Standards set out the requirement for the delivery of health care in Wales. As an education and training body with no direct contact to patients our focus in respect of the Health and Care Standards relate to staff and resources. Improvements to these areas are captured in our Performance Report.

6. Planning Arrangements

During 2024/25 HEIW has implemented its Integrated Medium Term Plan (IMTP) for 2024–27. On 28 March 2024, we submitted a Board-approved IMTP (2024–27) to Welsh Government in accordance with the NHS Planning Framework and our statutory duty to produce a financially balanced three-year integrated plan. The Board is responsible for setting the organisation's strategy and as such has played a central role in developing the IMTP (2024–27). HEIW's strategic aims, objectives and deliverables can be found in the [Delivery and Performance Analysis](#) section (page 23) of the Performance Report and are central to the planning and performance practices in place to give the Board assurance on our ability to deliver as an organisation.

As the strategic workforce body for NHS Wales, our IMTP is shaped heavily by the Workforce Strategy for Health and Care (which can be found at the following link: <https://heiw.nhs.wales/files/workforce-strategy/>), alongside a focus on supporting and addressing the significant workforce challenges linked with service drivers and Cabinet Secretary Priorities. The plan was developed through engagement with our Board, NHS Wales and Welsh Government colleagues, our wider stakeholders and our staff.

Again, this year, we are pleased that we have been able to have conversations with all NHS organisations on our emerging IMTP 2025–28. Through our established Stakeholder Reference Group, we have also engaged with a range of different organisations and sought feedback on the emerging IMTP. We received a Remit Letter in February from Welsh Government setting out their expectations of our organisation which has been reflected in IMTP 2025–28. Not only this, we have also implemented a refreshed planning framework, comprising of strategic priorities and development, delivery and enabling objectives, which better enables us to deliver against the revised Workforce Strategy.

In March 2023, the Board approved the refreshed Performance Framework which describes the organisation's system for making continuous improvements to achieve our Strategic Aims and Objectives and to deliver our 'Core Business' activities. The Board has regularly assured and scrutinised our progress with the delivery of the IMTP 2024–27. This approach is based on key business questions enabling a clear focus on data driven insights that will measure what is important and clearly show the impact and added value of the work undertaken by HEIW.

During 2025–26 the Board will receive Integrated Performance Reports at each meeting which will outline the progress against delivery of the IMTP highlighting the achievements, areas we have experienced challenges and the mitigating actions in place.

Throughout this year we have continued to embed our service review process in which the Executive Team holds bi-annual service review meetings with senior leaders and their teams to review the progress of key projects or programmes of work. Following each round of service reviews the planning and performance team ensure the learning is shared within HEIW and the themes and learning is presented to the Board to provide further assurance on the performance of the organisation.

7. Other Control Framework Elements (Disclosure Statements)

7.1 Equality, Diversity and Human Rights Legislation

Control measures are in place to ensure compliance with all of the organisation's obligations under equality, diversity and human rights legislation.

HEIW is fully committed to meeting the general and specific duties set out in the Public Sector Equality Duties Act (2011) the Anti-Racist Wales Action plan 2022, the Workforce Race Equality Standard (WRES) and the LGBTQ+ Action Plan 2023. It is also essential that these duties are reflected in our functions, which affect students, trainees and staff across the wider NHS.

At HEIW, we are committed to eliminating discrimination and promoting diversity and inclusion through equality of opportunity and everything that we do. We have continued to embed our diversity, quality, equality, equity, and inclusion agenda, which is informed through strong compassionate leadership, co-production, collaboration, and direct engagement with those who are affected by the decisions we make. We value our workforce's individual uniqueness and diversity and believe that this helps us deliver quality services that support the needs of our wider NHS Wales workforce and reflect everyone across our communities.

Our Strategic Equality Plan (SEP), set sets out our commitment and direction of travel over the next four years, our three equality objectives focus on the way we attract, recruit, retain and develop our HEIW Workforce, Inclusive practices in the attraction, education and training of the future health workforce and leaders in NHS Wales and our engagement with our workforce, stakeholders, communities and service users. Progress and key highlights in the delivery of our SEP during this period can be found in our Equality and Gender Pay Gap Report 2023/24.

We have a thriving and growing Welsh Language community, staff inclusion networks, awareness and learning opportunities and opportunities to speak up or raise concerns for our workforce to ensure that we are competent and informed of the barriers, needs and impact on our workforce, service users, students, trainees, and wider NHS colleagues. Our work to support the NHS is ongoing through offering access to diverse communities to internships, work experience and graduate programmes to support the future NHS Wales workforce, in addition to supporting the retention of the current workforce through understanding their experiences, creating diverse talent pipelines and working to support compassionate and inclusive people practices across NHS Wales.

7.2 The Wellbeing of Future Generations Act (WBFGA)

For HEIW, as the strategic workforce body for NHS Wales, WBFGA is a key framework for delivering sustainable health education and workforce planning. We came under the remit of the Act during this financial year. It integrates seamlessly with HEIW's mission to improve the health and well-being of the people of Wales through education, training, and workforce development. By adopting the Act's principles, HEIW ensures its well-being objectives align with broader public health goals while contributing to a sustainable future for Wales.

Through the WBFGA, HEIW also ensures alignment with the Social Partnership Duty, which fosters collaboration between employers, employees, and trade unions to deliver fair work and improve well-being. This approach strengthens HEIW's ability to create inclusive workplaces, promote equality, and ensure decision-making reflects the needs and voices of its workforce and stakeholders.

We have established three well-being objectives, in accordance with the sustainable development principle, which is linked to the goals and ways of working of the Act.

7.3 Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations. On an annual basis, HEIW submits a 'Contributions Assurance Statement' to the NHS Business Services Authority to confirm it has complied with the relevant regulations.

Staff who are members of the NHS Pension Scheme are able to access a Total Reward Statement (TRS) through the Electronic Staff Record self-service function. The TRS includes the following section: NHS Pension (Annual Benefit Statement).

During 2024/25, we have ratified and adopted the All Wales Flexible Pensions Policy.

7.4 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.

7.5 Quality and Quality Improvement

In accordance with the Duty of Quality, HEIW's quality and quality improvements are considered separately in our Annual Quality Report. Further information regarding quality can be found in the [Duty of Quality](#) section (page 22) of the Performance Report.

7.6 Welsh Language

HEIW commenced the process of coming under Welsh Language Standards (under the auspices of the Welsh Language Measure 2011) in the year 2024/25, and we expect this process to continue during the coming year. Until we formally come under Standards, we will continue to work in line with our Welsh Language Scheme, which is based on the Welsh Language Standards, which has been approved by the Welsh Language Commissioner's Office under the original (1993) Welsh Language Act, and which has been in operation since 2022 at HEIW.

We continue to focus on embedding our Welsh language Scheme and deem translation demand within HEIW to be a key indicator for measuring the successful adoption of these Standards. Our internal translation service is the central point for all HEIW staff who need translation. This year HEIW has translated nearly 5 million words into Welsh.

Welsh Government's Strategic Framework More Than Just Words (MTJW) to strengthen the provision of Welsh language services for health and social care, included several actions requiring HEIW to take the lead nationally. In October, we submitted an annual report on MTJW to the Welsh Government. Our work supporting the implementation of MTJW has included:

- Our Welsh language Awareness Course was created for undergraduates on HEIW-commissioned courses.
- Producing the "Strategic Workforce Planning for the Welsh Language" document and developing it into an interactive work tool

that allows other Health Boards to develop Welsh language planning in line with the statutory demands of the Welsh Language Measure. This work has been well received in several areas over the year.

- The continued development of Tregyrfa, our Welsh language careers portal, in engaging with the future NHS workforce. Plans are underway to increase activity on this portal over the coming year.
- The percentage of core staff recording their Welsh language skills on our Electronic Staff Record (ESR) has increased to 85% over the year.
- Work to increase the provision of teaching and awareness of the importance of recognising Welsh language needs within our university courses has been developed over the year, and several "best practice" examples have been identified.

7.7 Stakeholders and Partners

As the national workforce body for NHS Wales, we play a strategic role in building a skilled, sustainable workforce to enhance care and improve population health. Effective communication and collaboration across sectors are vital to understanding stakeholder challenges and priorities. By engaging proactively, we ensure our plans deliver impactful solutions and drive positive system change.

Our approach in 2024/25 has seen us carry out over 600 core and numerous programme specific communications and engagement activities including:

- Embedding our new relationship management system (Tractivity) which has grown our stakeholder network to over 5,000, improving how we connect, collaborate, and track engagement effectiveness.
- Engaging over 45 groups and organisations through Stakeholder Reference Group meetings to inform our strategic planning and decision making.
- Issuing regular bilingual Stakeholder Bulletins with 1,500 average monthly readers.
- Carrying out extensive engagement and consultation shaping key pieces of national work including the Continuous Professional Development Strategy, the Strategic Workforce Plan for Genomics and the Strategic Nursing Workforce Plan.

- Holding launch events for critical national workforce plans such as the Strategic Workforce Plans for Primary Care and Dental and the Strategic Workforce Plan for Genomics.
- Exhibiting, promoting and engaging at third party events such as the National NHS Confederation Conference where we talked to an exceptional number of stakeholders interested in our workforce solutions and opportunities to work with us.
- Holding bilingual public Board and committee meetings as well as our Annual General Meeting and showcase event, which saw a record number of registrations and attendance, spotlighting achievements and developments of interest to our audience.
- Holding a joint Board meeting with Social Care Wales.
- Holding a half-day in-person networking and information-sharing session, sharing our 2024/25 priorities with Welsh Government and NHS Executive colleague as well as opportunities to collaborate.
- Attending the Regional Partnership Board for the development of regional work and solutions.
- Holding Strategic meetings with Higher Education Institutions to build opportunities for joint working and linking the education and workforce agendas.
- Membership of national groups and networks contributing to key national programmes of work.
- Promoting how HEIW is making a difference in NHS Wales and opportunities for partnership working through regular bilingual news articles, social media posts and newsletters.
- Highlighting achievement and recognition through news articles and social media promotion of award wins.
- Supporting and awareness raising through sponsorship including Betsi Cadwaladr Health Board staff awards and UK Healthcare People Management Association (HPMA) awards.
- Introducing all generations to the many careers and employment opportunities in HEIW and NHS Wales through Careersville, TrainWorkLive, videos, blogs and social media campaigns including a 'Get into

Nursing' campaign. Plus, attending large public events such as the Royal Welsh Show and National Eisteddfod.

7.8 Sustainability

HEIW has a Board approved Biodiversity and Decarbonisation Strategy 2021-24 (under review in 2025) intended to help reduce the impact of climate change and improve biodiversity. The strategy sets out the organisation's high-level aspirations and intentions to meet requirements, to call its staff, stakeholders, partners and suppliers to action, and to make positive changes now to achieve longer-term goals for Wales. It focuses on five key areas for action. These are:

1. Engaging and supporting our staff
2. Sustainable procurement
3. Developing our office, Ty Dysgu, and supporting our local communities
4. Environmental sustainability
5. Sustainable healthcare in education and training

HEIW has developed a Sustainability Action Plan to deliver the strategy and reports progress to Welsh Government on an annual basis, in line with National Climate Emergency Programme requirements.

In 2024/25, we have:

- Implemented the new waste regulations in Ty Dysgu from January 2025 (to prepare staff for full implementation from April 2025) to ensure all requirements are being met for waste segregation and recycling by staff and visitors and created the EcoZone to offer additional recycling opportunities for hard-to-recycle items.
- Continued to maintain the green spaces in the grounds of Ty Dysgu and to take an active role in improving surrounding areas, with additional planting and monthly staff litter picks, with staff ensuring they meet the minimum target set for bags collected on each pick.
- Demonstrated our ongoing commitment to support staff make more sustainable and active travel choices by continuing to work towards level 1 of the Healthy Travel Charter alongside other NHS Wales and public sector organisations and engaging staff and raising awareness of the benefits of sustainable travel via a new dedicated staff Teams channel.

Increased staff knowledge and understanding of sustainability issues through a Spring event to promote biodiversity, 'Let's Go Green for Halloween' to highlight the volume of waste, a carbon footprint exercise at staff inductions, support for Working Wardrobe (donating good quality workwear), a review and refresh of the sustainability intranet pages and monthly bulletins of key environmental dates and news on the staff intranet.

HEIW is responsible for a key action in the NHS Wales Decarbonisation Strategic Delivery Plan (March 2021) which relates to the education of the workforce. As well as our efforts to reduce our impact on climate change, we have an external role to play in promoting sustainable healthcare through education, training and leadership.

In 2024/25, we published the Climate Smart Education and Training Action plan to help embed the principles of sustainable healthcare into education and training pathways in HEIW's remit and trained a further 30 Climate Smart Champions from across NHS Wales to build knowledge, understanding and capacity and to continue promoting sustainable healthcare practice. This is considered further within the [sustainability section](#) (page 52) in the Performance Report part of the Annual Report.

7.9 Ministerial Directions

Whilst Ministerial Directions are received by NHS Wales organisations, these are not always applicable to HEIW. Ministerial Directions issued throughout the year are listed on the Welsh Government website [Health and social care | Topic | GOV.WALES](#). Details of the ministerial direction received and their applicability to HEIW as at year end 31 March 2025 are included at [Appendix 3](#) (page 90) to the Governance Statement.

7.10 Data Breaches

Incidents resulting in a data breach are reported in accordance with HEIW's statutory requirements and documented confidentiality breach protocol. Under the Data Protection Act 2018 (DPA) personal data breaches (as defined by the act) are considered a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data.

Personal data breaches (as defined in the DPA) are required to be risk assessed to determine

the risk to living individuals and the risks to the rights and freedoms of living individuals.

HEIW uses an internally established scoring system, documented within the HEIW Breach Reporting Procedure, to assess the severity of the risk to determine whether escalations to the Information Commissioners Office (ICO) are necessary. The scoring system takes into account the number of individuals affected, the risk to clinical data, demographic data, special categories of data, health information, previous incidents, encryption of mobile technology and the harm or distress on the effected individuals. Where the data breach has scored more than a 2, the breach should be considered for reporting to the ICO. Breaches scoring less than 2, are therefore not considered for escalation and are managed appropriately internally.

Personal data breaches resulting in likely risk to living individuals and a high risk to individuals rights and freedoms must be reported to the ICO, and to data subjects where the breach is likely to result in a high risk to the rights and freedoms of individuals.

All data breaches are appropriately investigated and are reported to the Audit and Assurance Committee. Where appropriate or mandated, data breaches are reported to Welsh Government.

During 2024/25, HEIW reported one data breach which was notifiable to Welsh Government or the Information Commissioner. The data breach was reported to the ICO in August 2024, as a no surprises data breach whilst HEIW was actively investigating the potential impact. The ICO determined not to take action based upon the information that had been provided.

Lower-level scoring data breaches were recorded appropriately with the Data Protection Officer informed. Initial mitigations were implemented, and the incidents were discussed at meetings of the Information Governance and Information Management Group so lessons learned can be shared.

8. Review of Effectiveness

As Accountable Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. The review of the system of internal control is informed by the work of the internal auditors, and the executive officers within the organisation who

have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The Board and its committees rely on several sources of internal and external assurances which demonstrate the effectiveness of HEIW's system of internal control and advise where there are areas of improvement. These elements are detailed above in the [Levels of Assurance diagram](#) (page 70) in the Governance Statement.

The processes in place to maintain and review the effectiveness of the system of internal control include:

- Board and committee oversight of internal and external sources of assurance and holding to account executive directors and senior managers.
- Executive directors and senior managers who have responsibility for development, implementation and maintenance of the internal control framework and the continuing improvement in effectiveness within the organisation.
- The review and oversight of the principal risks on the Corporate Risk Register and the Board Assurance Framework by the Board and committees.
- The oversight of operational risk through the Board and its committees.
- Oversight of fraud risk through the Counter Fraud team.
- The monitoring of the implementation of recommendations through the audit tracker overseen by the Audit and Assurance Committee; and
- Audit and Assurance Committee oversight of audit, risk management and assurance arrangements.

8.1 Audit and Assurance Committee Chair's Reflection

HEIW's Board received the Audit and Assurance Committee's 2024/25 Annual Report at its meeting in May. The Committee Chair's reflections within the Committee's Annual Report were as follows:

This year marks my first year as Chair of the Committee. We are fortunate to be building on the strong foundations built by my predecessor Gill Lewis who ably chaired the Committee from HEIW's

inception to January 2024.

There have been further changes to the Committee this year, both in terms of Independent Members and attendees. We meet in person whenever possible, whilst recognising location and time constraints for busy attendees and this has helped build cohesion and understanding. Regular meetings have taken place, with as much business as possible taken in open session, with a high standard of papers, scrutiny and discussions.

There has been good engagement and attendance at Committee meetings of all parties, and thanks must go to everyone for playing their part to ensure that the Committee makes a positive contribution to HEIW's ongoing development. The support for the meetings has been excellent and ensures that the business runs smoothly. Many thanks to Dafydd and the team for this.

The Committee benefits both from the quality of the reports received and the challenge and scrutiny of their content. Reports cover internal issues relating to HEIW and external issues of interest to HEIW and contain sufficient detail to allow for reflection, learning and continuous improvement. It has been particularly pleasing this year to see the improvements put into practice as a result of Committee discussions. Regular scrutiny of the risks relating to the organisation has led to some being signed off and closed down, while others have emerged and will be monitored closely going forward.

The Committee has received regular reports from Audit Wales, Internal Audit and Counter Fraud, indicating areas which could merit more detailed examination, and we continue to focus on those recommendations where attention is needed. I am grateful for the professional and helpful manner in which all this work has been undertaken which has enabled the Committee to operate efficiently and effectively and encourage organisational improvement.

I would also like to thank my fellow Independent Members for their excellent support and engagement during the year. John Gammon continued as Vice Chair of the Committee and provides valuable insight and experience. Dawn Jones was

appointed a member of the Committee in 2024 and has brought fresh insights. Thanks to both my colleagues for their valuable input and support.

It is a credit to all involved in supporting the work of the Audit and Assurance Committee that, although there has been some change in the membership of the Committee, the Committee has remained focussed and had continued to provide the Board with assurance. It has been pleasing to see members of the executive team at the Audit and Assurance Committee, both as presenters and observers, and we hope that this will continue next year.

8.2 Internal Audit

Internal Audit provides the CEO, as Accountable Officer and the Board through the Audit and Assurance Committee, with a flow of assurance on the system of internal control. The CEO commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit and Assurance Committee and is focussed on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit (HoIA) on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

8.2.1 The Head of Internal Audit Conclusion

The scope of the opinion of the HoIA is confined to those areas examined in the risk-based audit plan, which has been agreed with senior management and approved, by the Audit and Assurance Committee. The HoIA assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and should be seen as an internal driver for continuous

improvement. The HoIA opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below.

Assurance rating



The Board can take **Reasonable Assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

The audit work undertaken during 2024/25, has been reported to the Audit and Assurance Committee.

The evidence base upon which the overall opinion is formed is as follows:

- An assessment of the range of individual opinions arising from the work undertaken in respect of the individual risk-based audit reports contained within the Internal Audit plan which have been reported to the Audit and Assurance Committee throughout 2024/25. This assessment has taken account of the relative materiality of these areas.
- Other assurance reviews, which impact on the Head of Internal Audit Opinion including audit work performed at other organisations. While undertaken formally as part of a particular health organisation's audit programme, the work covers activities relating to other health bodies. For example, NHS Wales Shared Services Partnership. Other knowledge and information that the Head of Internal Audit has obtained during the year including: cumulative information and knowledge over time; observation of Board and other key committee meetings; meetings with Executive Directors, senior managers and Independent Members; the results

of ad hoc work and support provided; liaison with other assurance providers and regulators; and research. Cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

8.2.2 Internal audit report assurance ratings

A summary of the reviews and associated assurance ratings in each of the domains is set out below. It is confirmed that during the reporting period HEIW did not receive any 'no assurance' reports.

Domain	Internal Audit Plan Year	Internal Audit	Assurance Rating	Received by Audit and Assurance Committee
Corporate Governance, Risk Management and Regulatory Compliance	2024/25	Managing Change of Independent Members	Substantial	October 2024
	2024/25	Risk Management	Substantial	February 2025
	2024/25	Business Continuity Planning	Reasonable	April 2025
Strategic Planning, Performance Management and Reporting	2023/24	Education and Training Plan	Substantial	April 2024
	2024/25	Duty of Quality	Substantial	Due to be received by AAC - July 2025
Financial Governance and Management	2023/24	Core Financial Systems	Reasonable	April 2024
	2024/25	Finance - IR35 Follow Up	Reasonable	October 2024
	2024/25	Core Financial Systems	Substantial	February 2025
	2024/25	Placement Expenses	Reasonable	April 2025
Information Governance and Security	2024/25	Information Governance	Substantial	February 2025
Operational Service and Functional Management	2023/24	Professional Support Unit	Reasonable	May 2024
	2023/24	Pharmacy Training	Reasonable	June 2024
	2024/25	Single Lead Employer	Reasonable	April 2025
	2024/25	Annual Review of Competence Progression (ARCP)	Substantial	May 2025
	2024/25	Bursary	Limited	Due to be received by AAC - July 2025
Workforce Management	2023/24	Learning Management System	Substantial	April 2024

8.3 Audit Wales Structured Assessment

The Auditor General for Wales is the statutory external auditor for the NHS in Wales. Audit Wales (AW) undertakes the external auditor role for HEIW on behalf of the Auditor General.

AW's structured assessment for 2024 was designed in the context of dealing with the legacy of the COVID-19 pandemic where HEIW was also supporting the recovery and transformation of services to respond to the additional demand that was built during the pandemic. The structured assessment took place at a time when Health Bodies were responding to a broader set of challenges associated with the cost-of-living crisis, the climate emergency, inflationary pressures on public finances, workforce shortages, and an ageing estate.

The assessment found that: *'HEIW's arrangements for governance, assurance, planning, and financial management continue to be robust. However, opportunities exist to strengthen these arrangements further, particularly in relation to hearing student and trainee voice at Board and identifying and demonstrating the benefit and impact of key corporate strategies and plans.'*

Audit Wales made the following recommendations based on the 2024 Structured Assessment work.

- HEIW should aim to include a regular agenda item at its Board meetings on student/ trainee "stories" to help members understand the learner experience.
- While Committees are allocated strategic risks in the Board Assurance Framework, HEIW should clarify the role of the 'assuring committee' to ensure they discharge their responsibilities.
- HEIW should ensure that corporate risks have clear and consistent risk titles which allow the reader to immediately identify the risk being presented to them.
- HEIW should clearly identify and articulate the impact and benefits the actions are intended to have, in its plans.

Two of the Structured Assessment recommendations have been implemented. The Board Forward Work programme has been updated to include regular student/ trainee stories, and the Corporate Risk Register has been updated to include risk

titles. The role of the 'assurance committee' in respect of strategic risk will be updated as part of the next Board Assurance Framework review in August 2025. In relation to plans, the impact and benefits of actions are identified within the Integrated Medium Term Plan and will be included in associated performance reporting arrangements.

8.4 Data Quality

The quality and effectiveness of the information and data provided to the Board is continually reviewed at each meeting of the Board. The Performance Report and Dashboard has been subject to development and revision throughout the year to provide further clarity for the Board. Throughout 2024/25, the Board was assured by the quality of information provided.

9. Conclusion – Corporate Governance Report

During the period 1 April 2024–31 March 2025 there have been no significant internal control or governance issues identified. This is due to the establishment of sound systems of internal control in place to ensure HEIW met its objectives. It is recognised that further work will be necessary in 2025/26 to further develop these arrangements. It will be important to communicate widely with staff to further embed these arrangements.

Signed by:



Chief Executive: Alex Howells

Date: 26 June 2025

Statement of the Chief Executive's Responsibilities as Accountable Officer

The Welsh ministers have directed that the Chief Executive should be the Accountable Officer to the Special Health Authority.

The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by Welsh Government.

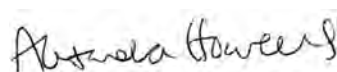
The Accountable Officer is required to confirm that, as far as she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accountable Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accountable Officer is required to confirm that that the Annual Report and accounts as a whole is fair, balanced and understandable and that they take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accountable Officer is responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Chief Executive:



Date: 26 June 2025

Directors' Report

The information required for this report can be found in the tables and sections of the Annual Report detailed below.

Composition of Board

Appendix 1 of the Governance Statement, Board and Committee Membership provides detailed information in relation to the composition of the Board including executive directors and independent members, who have authority or responsibility for directing or controlling the major activities of HEIW during the financial year 2024/25. This includes the names of the Chair and Chief Executive. Appendix 1 also includes the names of the directors forming the Audit and Assurance Committee.

Board and board level committee meeting dates for the period ending 31 March 2025

Appendix 2 of the Governance Statement (page 89), provides information on the dates of the Board and Committee meetings held during the period 1 April 2024 to 31 March 2025.

Declaration of interests

Details of company directorships and other significant interests held by members of the Board which may conflict with the responsibilities as Board members is included in the [Governance Section](#) of the Performance Report (page 20).

Cost allocation and charging requirements

HEIW confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

Information Governance

During 2024/25, one data breach met the assessment criteria for reporting to the Information Commissioners Office. (details can be found in the [Data Breach section](#) of the Governance Statement).

Environmental, social and community issues

HEIW is cognisant of the impact it has on the environment and takes steps to minimise this, in line with the NHS Wales Decarbonisation Strategic Delivery Plan. Details of the Board approved HEIW Decarbonisation Strategy and approach to sustainability are outlined in the sustainability sections of the [Corporate Governance Report](#) and the [Performance Report](#).

From a social and community impact perspective, HEIW has continued to offer

opportunities for students (future workforce) to experience NHS Wales focussing on key projects adding value to the role of HEIW.

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of the special health authority and of the income and expenditure of the special health authority for that period.

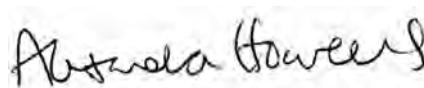
In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh ministers with the approval of the Treasury.
- make judgements and estimates which are responsible and prudent.
- state whether accounting standards have been followed, subject to any material departures disclosed and explained in the account.

The directors confirm that they have complied with the above requirements in preparing the accounts. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with the requirements outlined in the above-mentioned direction by Welsh ministers. By order of the Board, signed:



Chair
Date: 26 June 2025



Chief Executive
Date: 26 June 2025



Director of Finance, Planning and Performance
Date: 26 June 2025

Appendix 1: Board and committee membership and attendance since 1 April 2024 to 31 March 2025

Name	Position	Area of Expertise/ Representation Role	Board/ Committee Membership	Meeting Attendance 2024/25	Independent Member Champion Roles
Chris Jones	Chair	<ul style="list-style-type: none"> ➤ Primary Care ➤ Widening Access ➤ Prevention 	<ul style="list-style-type: none"> ➤ Board (Chair) ➤ Remuneration and Terms of Service (RATS) Committee (Chair) 	8/8 5/5	<ul style="list-style-type: none"> ➤ Welsh Language
Gill Lewis*	Independent Member	<ul style="list-style-type: none"> ➤ Health and Social Care Workforce 	<ul style="list-style-type: none"> ➤ Board ➤ Audit and Assurance Committee ➤ Education, Commissioning and Quality Committee ➤ RATS Committee 	7/7 1/1 3/3 4/5	<ul style="list-style-type: none"> ➤ Health and Social Care Integration
John Gammon	Independent Member	<ul style="list-style-type: none"> ➤ Education/ Training 	<ul style="list-style-type: none"> ➤ Board ➤ Audit and Assurance Committee ➤ RATS Committee 	8/8 6/6 4/5	<ul style="list-style-type: none"> ➤ Digital ➤ Research
Donna Macarthur **	Independent Member		<ul style="list-style-type: none"> ➤ Board ➤ Audit and Assurance Committee ➤ Education, Commissioning and Quality Committee ➤ RATS Committee 	8/8 2/2 4/4 5/5	<ul style="list-style-type: none"> ➤ North Wales
Jayne Sadgrove	Independent Member		<ul style="list-style-type: none"> ➤ Board ➤ Audit and Assurance Committee ➤ RATS Committee 	8/8 6/6 5/5	<ul style="list-style-type: none"> ➤ Speaking up safely

Name	Position	Area of Expertise/ Representation Role	Board/ Committee Membership	Meeting Attendance 2024/25	Independent Member Champion Roles
Dawn Jones ***	Independent Member		<ul style="list-style-type: none"> ➤ Board ➤ Audit and Assurance Committee ➤ Education, Commissioning and Quality Committee ➤ RATS Committee 	8/8 2/2 4/4 5/5	
Judith Hardisty ****	Independent Member		<ul style="list-style-type: none"> ➤ Board ➤ Education, Commissioning and Quality Committee ➤ RATS Committee 	7/7 4/4 2/2	

Name	Position	Board/ Committee Membership	Meeting Attendance 2024/25	Independent Member Champion Roles
Alex Howells	Chief Executive	➤ Board	8/8	n/a
Julie Rogers *****	Director of Workforce and OD/ Deputy CEO	➤ Board	1/1	n/a
Lisa Llewelyn	Executive Director of Nursing, Health Professionals and Quality	➤ Board	8/8	n/a
Pushpinder Mangat *****	Medical Director	➤ Board	1/1	n/a
Glyn Jones	Director of Finance, Planning and Performance and Deputy CEO	➤ Board	8/8	n/a
Tom Lawson *****	Acting Medical Director	➤ Board	5/6	n/a
Angie Oliver *****	Interim Director of Workforce and Organisational Development	➤ Board	1/1	n/a
Helen Watkins *****	Director of Workforce and Organisational Development	➤ Board	6/6	n/a

Please note: The Director of Finance, Planning and Performance is the lead officer for the Audit and Assurance Committee. The Director of Workforce and Organisational Development is the lead officer for the Remuneration and Terms of Service Committee. The Medical Director, the Executive Director of Nursing, Health Professionals and Quality and the Director of Education, Strategy and Transformation are the lead officers for the Education Commissioning and Quality Committee.

*Gill Lewis stood down as Chair and Member of the Audit and Assurance Committee on 31 January 2024, however, was appointed as a Member of the Committee for the 4 July 2024 (final accounts) meeting only. Attendance therefore reflects attendance at this meeting. Also, Gill Lewis' term of office as Independent Member ended on 31 January 2025. Attendance for Board and Committee meetings therefore reflect the number of meetings to end of the term.

**Donna Macarthur stood down as a Member of the Audit and Assurance Committee on 9 May 2024. Attendance therefore reflects the number of meetings to end of appointment.

***Dawn Jones was appointed as a member of the Audit and Assurance Committee on 4 July 2024. Attendance therefore reflects the number of meetings since appointment.

****Judith Hardisty was appointed as Independent Member on 1 July 2024. Judith Hardisty was also appointed as a member of the Education Commissioning and Quality Committee on 4 July 2024. Attendance for Board and Committee meetings therefore reflect the number of meetings since appointment.

*****Julie Rogers resigned as Director of Workforce and Organisational Development on 30 June 2024. Attendance therefore reflects the number of meetings to end of role.

*****Pushpinder Mangat was seconded into the role of interim Deputy Chief Medical Officer for Welsh Government on 31 May 2024. Attendance therefore reflects the number of meetings to end of role.

*****Tom Lawson was appointed as Acting Medical Director on 1 June 2024. Attendance therefore reflects the number of meetings since appointment.

*****Angie Oliver stepped into the role of Director of Workforce and Organisational Development on an interim basis between 1 July and 31 July 2024. Attendance therefore reflects the number of meetings whilst in post.

*****Helen Watkins was appointed as Director of Workforce and Organisational Development on 1 August 2024. Attendance therefore reflects the number of meetings since appointment.

The Board and its Committees are fully established and operated in line with the Board's standing orders. Appendix 2 outlines the dates of Board, Board Development and Committee meetings held during the period 1 April 2024 to 31 March 2025, with all meetings being deemed quorate when held.

Appendix 2: Dates of Board and Committee meetings held during the period 1 April 2024 to 31 March 2025

Board/Committee	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sept 2024
Board		30/05/24		11/07/24	01/08/24	26/09/24
Board Development	25/04/24				01/08/24 29/08/24	
Audit and Assurance Committee	08/04/24	07/05/24	24/06/24	04/07/24		
Education Commissioning and Quality Committee				11/07/24		05/09/24
Remuneration and Terms of Service Committee	15/04/24	09/05/24 23/05/24		11/07/24		

Board/Committee	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
Board		28/11/24	12/12/24 (Closed Board only)	30/01/25		27/03/25
Board Development	31/10/24		12/12/24		27/02/25	
Audit and Assurance Committee	10/10/24				06/02/25	
Education Commissioning and Quality Committee		14/11/24				06/03/25
Remuneration and Terms of Services Committee		28/11/24				

Appendix 3: Table of Welsh Health Circulars (WHC) 1 April 2024–31 March 2025

Name	Date	Action to Demonstrate Implementation/Response
WHC/2024/017 Implementation of the non-pay parts of the 2022–2024 collective agreement	April 2025	A response has been completed for Welsh Health Circular 017 Implementation of non pay parts of the 2022–2024 collective agreement. HEIW and Trade Union (TU) WHC implementation of non pay elements baseline assurance report has been completed in January 2025. HEIW and TU response to WHC Non Pay was sent to Welsh Government in January 2025. Work has been completed in partnership with Staff Side and reported to Local Partnership Forum.
WHC/2024/022 Dispute Arbitration Process – Guidance for Disputed Debts (invoices and service agreements) within NHS Wales: 2024/25–2026/27	April 2024	The Welsh Health Circular has been implemented, although HEIW has not been required to initiate the arbitration process as the threshold has not been met for debts due from other organisations. HEIW has received ‘Escalation Notices’ for outstanding debts due to other organisations. None of these notices moved onto the full arbitration process as the payment issues were resolved within the timescales.
WHC/2024/024 Implementation the agreed approach to preventing violence and aggression towards NHS staff in Wales	May 2024	HEIW have had no reported incidents of violence and aggression in the last 12 months, WHC/2024/031 will be implemented during 2025/26.
WHC/2024/026 2024/25 LHB, SHA and Trust Monthly Financial Monitoring Return Guidance	June 2024	The Welsh Health Circular has been implemented. This has been implemented and all MMR submissions to Welsh Government are prepared on the basis of this guidance. The guidance is updated annually and is reviewed when issued to identify any changes that affect the reporting arrangements within HEIW.
WHC/2024/031 Agency workforce reduction programme and control framework 2024 to 2025	June 2024	HEIW have completed initial baseline returns and looked at our agency usage following the previous circular WHC/2023/046, we have a small usage of agency staff to cover vacant posts to maintain service provision. Work will be carried out during 2025/26 to consider how we can further reduce our use of agency staff.
WHC/2024/013 Governance on interim appointments to executive and senior positions	April 2024	Ministerial Direction came into force in April 2024. Report received by Remuneration and Terms of Service Committee on 9 May 2024 confirming that HEIW was compliant with its requirements.

Name	Date	Action to Demonstrate Implementation/Response
WHC/2024/039 Pre-transfusion sample taking compliance with the confirmatory sample rule	October 2024	WHC has been noted by HEIW.
WHC/2024/042 Introduction of the dictionary of medicines and devices	January 2025	WHC has been noted by HEIW.
WHC/2024/044 Anti-racism e-learning module	November 2024	HEIW has worked with colleagues across the NHS and Welsh Government to launch a mandated Anti-racism Training designed for staff, students and trainees. HEIW is committed to embedding this training as part of our local induction and part of our existing staff statutory and mandatory training.
WHC/2025/005 NHS Wales sustainability conference and awards	March 2025	HEIW has actively promoted the sustainability conference and awards via the Sustainability Steering Group, through the intranet and Directorate meetings. HEIW will be in attendance at the conference and will aim to facilitate a panel session.
WHC/2025/007 Amendments following interim review to the Model Standing Orders for Local Health Boards, NHS Trusts and Special Health Authorities in Wales	March 2025	The Audit and Assurance Committee reviewed the amended Standing Orders on 10 April 2025 and recommended Board approval. The Revised Standing Orders were presented to Board for approval on 29 May 2025.

Remuneration and Staff Report 2024/25

The information contained in this report relates to the remuneration of the senior managers employed by Health Education and Improvement Wales (HEIW) and also provides details of the wider profile and policies relevant to all staff in the organisation.

The Pay Policy Statement set out in Annex 3 relates to HEIW's strategic stance on senior manager remuneration and to provide a clear statement of the principles underpinning decisions on the use of public funds.

The definition of "Senior Manager" is: 'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.' For HEIW, the senior managers are considered to be the regular attendees of Board meetings, i.e. Members of the Executive Team and the independent members.

Remuneration and Terms of Service Committee

The terms of reference and operating arrangements for the Remuneration and Terms of Service Committee are set out in HEIW's standing orders. The purpose of the Committee is to provide advice to the Board on the remuneration and terms of service and performance for the Chief Executive, Executive Directors and other senior staff. It also provides assurance to the Board in relation to HEIW's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff. Further details of the membership and role of the Remuneration and Terms of Service Committee is provided in the Annual Governance Statement.

Salary and Pension Disclosures

Details of salaries and pension benefits for senior managers captured within this report are given in Annexes 1 and 2. The single figure of remuneration (Annex 1) is intended to be a

comprehensive figure that includes all types of reward received by senior managers in the period being reported on, including fixed and variable elements as well as pension provision.

The single figure of remuneration includes the following:

- Salary and fees both pensionable and non-pensionable elements.
- benefits in kind (taxable, total to the nearest £100).
- pension related benefits – those benefits accruing to senior managers from membership of a participating defined benefit pension scheme.

HEIW has paid no annual or long-term performance related bonuses. Annual salary figures are shown prior to any reduction as a result of any salary sacrifice scheme.

Pay Terms and Conditions/Pay Awards

During 2024/25 NHS Wales staff received pay awards dependent upon their relevant terms and conditions. The main items include:

- Medical and Dental:
 - ◆ Reform of the consultant (amended 2003 contract) pay scale from 1 January 2024 (Pay Letter M&D(W) 02/2024), which included:
 - The removal of commitment awards.
 - An overall reduction in the number of pay points.
 - An increase in starting pay.
 - An increase in all pay points.
 - ◆ Annual pay award for 2024/25 of 6% effective from 1st April 2024 (M&D(W) 07/2024 Pay Circular v4)
- Agenda for Change (Pay Letter AfC(W) 02/2024 v2):
 - ◆ Annual pay award of 5.5% effective from 1st April 2024.
 - ◆ To implement the intermediate pay points at Bands 8a, 8b, 8c, 8d and 9 which are effective from 1 April 2024.
- Executive and Senior Staff (Pay Letter ESP(W) 02/2024):
 - ◆ Annual pay award of 5% effective from 1st April 2024.

Pensions Benefits

The value of pension related benefits accrued during the year is calculated as the real increase in pension multiplied by 20 less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

The pension benefit figure is calculated on the basis of an increase in the value over the financial year. Where an individual has become or ceased to be a 'Senior Manager' during the year any increase or decrease in benefits are pro-rated over the period they were in that post.

Annex 2 gives the total pension benefits for all senior managers. The inflationary rate applied to the values of pensions, lump sums and Cash Equivalent Transfer Values (CETV) at 31st March 2024 is 6.7% as set out in the 'Disclosure of Senior Managers' Remuneration (Greenbury) 2025' guidance document.

McCloud Remedy

On 1 April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022. The government is removing this age discrimination from public service pension schemes in two parts.

Part 1 of the remedy closed the 1995/2008 Scheme on 31 March 2022, with active members becoming members of the 2015 Scheme on 1 April 2022. For Part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 Scheme moved back into the 1995/2008 Scheme on 1 October 2023. This is called 'rollback' and where applicable was adjusted in the 2023/24 remuneration report. Further details of officers affected is provided in Annex 1b: Single Figure of Remuneration 2023/24.

Remuneration Relationship

NHS Bodies in Wales bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and 25th percentile, median and 75th percentile remuneration of the organisation's workforce. This information is provided within note 9.6 (Fair Pay Disclosures) in the annual accounts.

2024/25 Staff Report

Number of senior staff

As of 31 March 2025, there were 8 senior staff that made up the Executive Team; they were also members of the Board or regular attendees. All senior staff are directly employed by HEIW. These are:

- Chief Executive
- Director of Finance, Planning and Performance/Deputy Chief Executive
- Director of Workforce and OD
- Medical Director
- Director of Nursing and Health Profession Education
- Director of Digital, Data and Engagement

- Director of Education Strategy and Transformation
- Board Secretary

Their pay bands are broken down as follows:

Numbers of Senior Staff at 31 March 2025

Executive and Senior Pay scale	6
Agenda for Change Pay scale	1
Medical and Dental Pay Scale	1

Staff Numbers

The following table shows the average number of staff employed (FTE) by Health Education and Improvement Wales, by group from 1 April 2024 to 31 March 2025:

Staff Group	Permanently Employed (Inc. Fixed Term) (Ave FTE)	Agency Staff (Ave FTE)	Staff on Inward Secondment (Ave FTE)	2024/25 Total (Ave FTE)
Administrative and Clerical and Board Members	375.09	6.22	19.68	400.99
Medical and Dental	49.83	0	1.76	51.59
Professional Scientific and Technical Staff	37.50	0	1.78	39.28
Additional Clinical Services	1.00	0	0	1.00
Nursing and Midwifery	12.32	0	3.92	16.24
Allied Health Professionals	5.38	0	0.80	6.18
Healthcare Scientists	2.63	0	0	2.63
Totals	483.75	6.22	27.94	517.91

The table above does not include the Chair or Independent Members.

Staff Composition

The gender breakdown of the Executive Team and other employees as of 31 March 2025 was as follows:

Staff Composition at 31 Mar 2025 (headcount)	Male	Female
Senior Staff (Executive Team)	4	4
Other Employees	191	469
All Staff	195	473
% All Staff	29.2%	70.8%

The data in the table above is taken from ESR Business Intelligence and includes staff with permanent, fixed term and honorary assignments. Due to the nature of its work, HEIW employs a number of individuals on a sessional basis. This results in the headcount of staff for the organisation being significantly higher than the full time equivalent. .

Sickness Absence data

The following table provides information on the number of days lost due to sickness:

	From 1 April 2023 to 31 March 2024	From 1 April 2024 to 31 March 2025
	Number	Number
Days lost (long term)	3,084.23	3,916.98
Days lost (short term)	1,059.37	1,428.68
Total FTE days lost	4,143.60	5,345.66
Average working days lost	9.58	11.05
Total staff employed in period (headcount)	*618	*722
Total staff employed in period with no absence (headcount)	444	517
Percentage staff with no sick leave	71.84%	71.61%

The staff numbers in the tables above are calculated on different bases depending on the requirements of the individual disclosures (e.g. full-time equivalents, headcount, average for the year, total at a specific point).

*This is assignment headcount taken from the ESR NHS Absence Analysis Dashboard

HEIW's rolling sickness absence rate was 3.00% (FTE) as at 31st March 2025, this represents a small increase over the last 12 months and a small upward trend. This still remains below the NHS Wales target of 4.1%.

The ratio between long term and short-term sickness has remained similar to last year with long term sickness accounting for the majority of all sickness absence. A significant amount of sickness absence is caused by a small number of long-term sickness absence cases.

➤ Long Term Sickness: 73.3%

➤ Short Term Sickness: 26.7%

The biggest single reason for sickness absence is due to anxiety/stress/depression/other psychiatric illness, which is responsible for 47.6% of absence days and 52.8% of FTE days lost. This can be work related, home related or a combination of both. The People Business Partners provide pro-active support for case and staff have access to a range of well-being resources including an Employee Assistance Programme.

Staff Policies Applied During the Financial Year

HEIW is now in its sixth year following its establishment in October 2018. The establishment of HEIW as a new organisation involved the Transfer of Undertaking Protection of Employment (TUPE) transfer of staff including staff from Cardiff University into the new organisation and the NHS. In addition, there have been a number of much smaller TUPE transfers in the intervening years both from within the NHS and from Cardiff University. Those that transferred from Cardiff University retained their university contract terms and conditions and at the time of transfer in 2018 these amounted to the majority of the total staff.

The number of staff on Cardiff University terms and conditions continues to fall particularly among Administrative and Clerical Staff (including managers) and is now less than 50. However there remains a significant proportion of medical and dental staff on Cardiff University terms and conditions, although they are paid on NHS pay scales. We would anticipate that this number will continue to fall as staff move to other jobs or retire.

The HEIW Local Partnership Forum (LPF) provides the formal mechanism for social partnership within HEIW. It is the formal method for engagement, consultation, negotiation and communication between the trade unions and HEIW management and

ensures continued partnership working. During 2024/25 the LPF met bi-monthly and dealt with a range of operational and strategic issues. The LPF forms a key part of the approval process

for workforce policies and supports the work of the Policy Review Group. During 2024/25 the following policies were considered by the LPF before going to the Executives for final sign off:

Policy name	New/Review	Applicable to
HEIW Maternity, New Parent Support and Shared Parental Leave Policy	Update	All staff on NHS Terms and Conditions of Service
HEIW Time Off and Facilities for Trade Union Representatives Policy	Review	All Staff
HEIW Lone Working Policy	Review	All Staff
All Wales Flexible Pensions Policy	New	All staff with an NHS pension
All Wales Job Evaluation Policy and Procedure	New	All staff covered by the Agenda for Change Job Evaluation scheme

All newly appointed staff are employed on NHS terms and conditions of service either, Agenda for Change or Medical and Dental. Former Cardiff University staff have the option to transfer to NHS terms and conditions of service. Where former Cardiff University staff covered by TUPE regulations accept a new post within HEIW either permanently or temporarily that results in a contractual change they will transfer to NHS terms and conditions of service. Once transferred they are unable to return to Cardiff University terms and conditions.

We have continued to recruit to new and vacant posts during 2024/25, ESR recorded 124 new starters and 81 leavers across 2024/25.

During 2024/25 we continued to work to hybrid operating model of 2 days in the office and 3 days working from home. This is a continuation of the initial agreement made to move from the previous hybrid working model of 3 days in the office and 2 days working at home. As part of the working model teams are increasingly using Anchor Days when whole teams come into the office together on a specific day.

Expenditure on Consultancy and Temporary Staff

For the purpose of the statutory accounts, consultancy is defined as time limited/ad-hoc assignments that are not related to the day-to-day activities of HEIW.

During 2024/25 HEIW's expenditure on consultancy was £208k.

Total costs on agency staff totalled £325k.

Tax Assurance for Off-Payroll Engagements

HEIW is required to disclose any arrangements it has whereby individuals are paid through their own companies or off payroll.

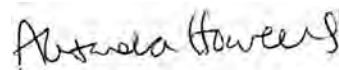
There were none during this period.

Exit Packages

Details of exit packages are included within note 9.5 of the Annual Accounts.

Statement of Assurance

I confirm that there is no relevant audit information in the Annual Report of which the Audit Wales is unaware. As Chief Executive, I have taken all the steps in order to make myself aware of any relevant information and ensure the Audit Wales is aware of that information.



Alex Howells
Chief Executive and Accountable Officer,
Health Education and Improvement Wales
26 June 2025

Annex 1a: Single Figure of Remuneration 2024/25

Single Figure of Remuneration					
Name	Title	Salary (Bands of £5k)	Taxable Benefits to nearest £100	Pension Benefit to nearest £1,000	Total (Bands of £5k)
Alex Howells	Chief Executive	175-180	-	78	255-260
Julie Rogers ¹	Director of Workforce and OD/ Deputy CEO (until 30/06/24)	35-40	-	13	45-50
Glyn Jones ²	Director of Finance, Planning and Performance (until 30/06/24)	30-35	400	43	175-180
	Deputy Chief Executive, Director of Finance, Planning and Performance (from 01/07/24)	100-105			
Dafydd Bebb	Board Secretary	105-110	-	32	135-140
Prof. Push Mangat ³	Medical Director (until 31/05/24)	25-30	-	-	25-30
Sian Richards ⁴	Director of Digital Development (until 31/05/24)	15-20	-	108	230-235
	Director of Digital, Data and Engagement (from 01/06/24)	105-110	-		
Lisa Llewelyn	Director of Nursing, Allied Health Professionals and Quality	120-125	-	60	180-185
Prof. Tom Lawson ⁵	Acting Medical Director (from 01/06/24)	165-170	-	252	415-420
Dr. Ian Mathieson ⁶	Director of Education Strategy and Transformation (from 01/07/24)	80-85	-	20	95-100
Helen Watkins ⁷	Director of Workforce and Organisational Development (from 01/08/24)	80-85	800	75	155-160
Angie Oliver ⁸	Interim Director of Workforce and Organisational Development (from 01/07/24 to 31/07/24)	10-15	-	N/A ⁹	10-15 ⁹
Dr. Chris Jones	Chair	40-45	-	-	40-45
Gill Lewis ¹⁰	Non-Executive Director (until 31/01/25)	5-10	-	-	5-10
Prof. John Gammon ¹¹	Non-Executive Director	5-10	800	-	10-15
Donna MacArthur ¹²	Non-Executive Director	5-10	1,500	-	10-15
Jayne Sadgrove ¹³	Non-Executive Director	5-10	1,400	-	10-15
Dawn Jones	Non-Executive Director	5-10	-	-	5-10
Judith Hardisty ¹⁴	Non-Executive Director (from 01/07/24)	5-10	1,100	-	5-10

The value of 'Pension Benefit' in the table above is calculated as follows:

(real increase in pension† X 20) + (real increase in any lump sum†) - (contributions made by the employee)

†Excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This is not an amount that has been paid to an individual during the year. These figures can be influenced by many factors e.g. changes in a person's salary, any additional contributions made by the employee and other valuation factors affecting the pension scheme as a whole.

*Where the calculation of pension benefits results in a negative figure the Greenbury Disclosure of Senior Managers states that a zero value should be disclosed.

1. Julie Rogers left HEIW on 30th June 2024. The full year equivalent salary is £135k-£140k.

2. Glyn Jones was Director of Finance, Planning and Performance until 30th June 2024 (Full year equivalent salary is £125k-£130k) and Deputy Chief Executive, Director of Finance, Planning and Performance from 1st July 2024 (Full year equivalent salary is £135k-£140k). Taxable benefits relate to the payment of travel expenses.

3. Professor Push Mangat was Medical Director until 31st May (Full year equivalent salary is £150k-£155k) and was seconded to Welsh Government from 1st June 2024. He was not a member of the HEIW Board during the period of the secondment. Pushpinder Mangat chose not to be covered by the NHS pension scheme for the period employed by HEIW and therefore no pension benefits accrued.

4. Sian Richards was Director of Digital Development until 31st May 2024 (Full year equivalent salary is £105k-£110k) and Director of Digital, Data and Engagement from 1st June 2024 (Full year equivalent salary is £125k-£130k).

5. Professor Tom Lawson was appointed as Acting Medical Director from 1st June 24. The full year equivalent salary is £200k-£205k.

6. Dr Ian Mathieson joined HEIW as Director of Education Strategy and Transformation from 01st July 2024. The full year equivalent salary is £105k-£110k.

7. Helen Watkins joined HEIW as Director of Workforce and Organisational Development from 1st August 2024. The full year equivalent salary is £125k-£130k. Taxable benefits relate to the provision of a salary sacrifice lease car.

8. Angie Oliver was Interim Director of Workforce and Organisational Development for the period 01st to 31st July 2024. The full year equivalent salary is £125k-£130k.

9. Pension benefit information for Angie Oliver was not requested from the NHS Business Services Authority by the submission deadline. Therefore, the reported total single figure of remuneration of £10k to £15k does not include pension benefits earned during the year.

10. Gill Lewis' term as Independent Member ended on 31st January 2025. The full year equivalent salary (excluding taxable allowances) is in the range £10k-£15k.

11. Professor John Gammon became Vice-Chair of the HEIW Board on 1st February 2025. The full year equivalent salary of the Vice-Chair role (excluding taxable allowances) is in the range £10k-£15k. Taxable benefits relate to the payment of travel expenses.

12. Taxable benefits relate to the payment of travel expenses.

13. Taxable benefits relate to the payment of travel expenses.

14. Judith Hardisty joined HEIW as Independent Member on 1st July 2024. The full year equivalent salary (excluding taxable allowances) is in the range £5k-£10k. Taxable benefits relate to the payment of travel expenses.

Annex 1b: Single Figure of Remuneration 2023/24

Single Figure of Remuneration					
Name	Title	Salary (Bands of £5k)	Taxable Benefits to nearest £100	Pension Benefit to nearest £1,000	Total (Bands of £5k)
Alex Howells ¹	Chief Executive	170-175	-	0*	170-175
Julie Rogers	Director of WOD/Deputy CEO	125-130	-	30	155-160
Dafydd Bebb	Board Secretary	100-105	-	26	125-130
Push Mangat ²	Medical Director	145-150	-	-	145-150
Sian Richards ³	Director of Digital Development	100-105	-	0*	100-105
Lisa Llewelyn	Director of Nursing and Health Professional Education	115-120	-	0*	115-120
Rhiannon Beckett ⁴	Interim Director of Finance	5-10	-	0*	5-10
Glyn Jones ⁵	Director of Finance, Planning and Performance	110-115	-	0*	110-115
Non-Executive Directors					
Chris Jones	Chair	40-45	-	-	40-45
Tina Donnelly ⁶	Non-Executive Director	5-10	300	-	5-10
Ruth Hall ⁷	Non-Executive Director	5-10	1,100	-	10-15
Gill Lewis ⁸	Non-Executive Director	5-10	-	-	5-10
John Gammon	Non-Executive Director	5-10	700	-	10-15
Donna MacArthur ⁹	Non-Executive Director	5-10	1,400	-	10-15
Jayne Sadgrove ¹⁰	Non-Executive Director	5-10	100	-	5-10
Dawn Jones ¹¹	Non-Executive Director	0-5	0	-	0-5

The value of 'Pension Benefit' in the table above is calculated as follows: (real increase in pension† X 20) + (real increase in any lump sum†) - (contributions made by the employee)

†Excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This is not an amount that has been paid to an individual during the year. These figures can be influenced by many factors e.g. changes in a persons salary, any additional contributions made by the employee, and other valuation factors affecting the pension scheme as a whole.

*Where the calculation of pension benefits results in a negative figure the Greenbury Disclosure of Senior Managers states that a zero value should be disclosed.

1. Alex Howells is affected by the Public Service Pension Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

2. Pushpinder Mangat chose not to be covered by the NHS pension scheme for the period

employed by HEIW and therefore no pension benefits accrued.

3. Sian Richards salary figure for 2023/24 includes a one-off non-consolidated 'recovery payment' relating to the 2022/23 financial year. This payment was made to staff on Agenda for Change terms and conditions but was not agreed until May 2023, and therefore was not included in the values included in the 2022/23 remuneration report. Sian is affected by the Public Service Pension Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

4. Rhiannon Beckett was Interim Director of Finance until 1st May 2023. The full year equivalent salary is in the range £115-£120k. Rhiannon is affected by the Public Service Pension Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

5. Glyn Jones became Director of Finance, Planning and Performance on 2nd May 2023. The full year equivalent salary is in the range £120k-£125k. Glyn is affected by the Public Service Pension Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

6. Tina Donnelly's term as Independent Member ended on 31st January 2024. The full year equivalent salary (excluding taxable allowances) is in the range £5k-£10k.

7. Ruth Hall's term as Independent Member ended on 31st January 2024. The full year equivalent salary (excluding taxable allowances) is in the range £10k-£15k.

8. Gill Lewis became Vice-Chair of the HEIW Board on 1st February 2024. The full year equivalent salary of the Vice-Chair role (excluding taxable allowances) is in the range £10k-£15k.

9. Donna MacArthur was appointed as an Independent Member on 24th April 2023. The full year equivalent salary (excluding taxable allowances) is in the range £5k-£10k.

10. Jayne Sadgrove was appointed as an Independent Member on 1st September 2023. The full year equivalent salary (excluding taxable allowances) is in the range £5k-£10k.

11. Dawn Jones was appointed as an Independent Member on 1st February 2024. The full year equivalent salary (excluding taxable allowances) is in the range £5k-£10k.

All taxable benefits reported in annex 1b relate to the payment of travel expenses.

Annex 2: Pension Benefits - 2024/24

Name	Title	Real increase in pension at pension age (bands of £2,500) £'000	Real increase in pension lump sum at pension age (bands of £2,500) £'000	Total accrued pension at pension age at 31 March 2025 (bands of £5,000) £'000	Lump sum at pension age related to accrued pension at 31 March 2025 (bands of £5,000) £'000	Cash Equivalent Transfer Value at 31 March 2025 £'000	Cash Equivalent Transfer Value at 31 March 2024 £'000	Real increase in Cash Equivalent Transfer Value £'000	Employer's contribution to stakeholder pension £'000
Alex Howells	Chief Executive	2.5-5	2.5-5	80-85	210-215	1,923	1,694	93	-
Julie Rogers	Director of WOD/ Deputy CEO (until 30/06/24)	0-2.5	-	5-10	-	102	81	11	-
Glyn Jones	Director of Finance, Planning and Performance (until 30/06/24) / Deputy Chief Executive, Director of Finance, Planning and Performance (from 01/07/24)	2.5-5	-	30-35	-	582	493	40	-
Dafydd Bebb	Board Secretary	0-2.5	-	15-20	-	225	178	22	-
Prof. Push Mangat ¹	Medical Director (until 31/05/24)	-	-	-	-	-	-	-	-

Name	Title	Real increase in pension at pension age (bands of £2,500) £'000	Real increase in pension lump sum at pension age (bands of £2,500) £'000	Total accrued pension at pension age at 31 March 2025 (bands of £5,000) £'000	Lump sum at pension age related to accrued pension at 31 March 2025 (bands of £5,000) £'000	Cash Equivalent Transfer Value at 31 March 2025 £'000	Cash Equivalent Transfer Value at 31 March 2024 £'000	Real increase in Cash Equivalent Transfer Value £'000	Employer's contribution to stakeholder pension £'000
Sian Richards	Director of Digital Development (until 31/05/24)/ Director of Digital, Data and Engagement (from 01/06/24)	5-7.5	10-12.5	35-40	85-90	709	562	92	-
Lisa Llewelyn ²	Director of Nursing and Health Professional Education	2.5-5	2.5-5	65-70	180-185	**	83	0*	-
Prof. Tom Lawson	Acting Medical Director (from 01/06/24)	10-12.5	27.5-30	80-85	220-225	1,983	1,517	282	-
Dr. Ian Mathieson	Director of Education Strategy and Transformation (from 01/07/24)	0-2.5	-	0-5	-	22	-	12	-
Helen Watkins	Director of Workforce and Organisational Development (from 1/8/24)	2.5-5	5-7.5	40-45	110-115	987	799	79	-

*Where the calculation of pension benefits results in a negative figure the Greenbury Disclosure of Senior Managers states that a zero value should be disclosed.

**No CETV is reported for senior managers over Normal Pension Age (NPA).

1. Push Mangat chose not to be covered by the NHS pension scheme for the period employed by HEIW and therefore no pension benefits were accrued.

2. The CETV for Lisa Llewelyn as at 31/03/2024 relates to the 2015 NHS Pension scheme element only.

Annex 3: Pay Policy Statement

Salary and pension entitlements of senior managers 2024-25

The pay and Terms and Conditions of Employment for the executive team and senior managers have been, and will be determined by the HEIW Board, based on the recommendations of the Remuneration and Terms of Service Committee, within the framework set by Welsh Government. The Remuneration and Terms of Service Committee also considers applications relating to the Voluntary Release Scheme. The Remuneration and Terms of Service Committee members are all Independent Members of the Board and the committee is chaired by HEIW's chairperson. The Terms of Reference for the Committee are regularly being reviewed.

Auditors

The auditors have reviewed this report for consistency with other information in the financial statements and will provide an opinion on the following disclosures:

- Single total figure of remuneration for each director.
- CETV disclosures for each director.
- Payments to past directors, if relevant.
- Payments for loss of office, if relevant.
- Fair pay disclosures (included in annual accounts).
- Exit packages (included in annual accounts) if relevant, and
- Analysis of staff numbers.

Senedd Cymru/Welsh Parliamentary Accountability and Audit Report

For the Year ended 31 March 2025

Regularity of Expenditure

Regularity is the requirement for all items of expenditure and receipts to be dealt with in accordance with the legislation authorising them, any applicable delegated authority and the rules of Government Accounting.

The Health Education and Improvement Wales (HEIW) Board ensures the funding provided by Welsh Ministers has been expended for the purposes intended by Welsh Ministers and that the resources authorised by Welsh Ministers to be used have been used for the purposes for which the use was authorised.

The Chief Executive is the Accountable Officer and ensures that the financial statements are prepared in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, the Chief Executive is required to:

- observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
- prepare them on a going concern basis on the presumption that the services of the Special Health Authority will continue in operation.

Fees and Charges

Where HEIW undertakes an activity which is not funded directly by the Welsh Government, HEIW receives income to cover its costs. Further detail of income received is published in the annual accounts.

HEIW confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

Remote Contingent Liabilities

Remote contingent liabilities are those liabilities that due to the unlikelihood of a resultant charge against HEIW are therefore not recognised as an expense nor as a contingent liability. Detailed below are the remote contingent liabilities as at 31st March 2025.

2024-25	
Guarantees	nil
Indemnities	nil

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Health Education and Improvement Wales for the year ended 31 March 2025 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Health Education and Improvement Wales as at 31 March 2025 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Health Education and Improvement Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether

the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers' directions; and;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of Health Education and Improvement Wales and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;

- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records;
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing Health Education and Improvement Wales' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Health Education and Improvement Wales will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the audited entity's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Health Education and Improvement Wales policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.
- Obtaining an understanding of Health Education and Improvement Wales' framework of authority as well as other legal and regulatory frameworks that Health Education and Improvement Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Health Education and Improvement Wales.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- Enquiring of management, the Audit and Assurance Committee and legal advisors about actual and potential litigation and claims.
- Reading minutes of meetings of those charged with governance and the Board.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Health Education and Improvement Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any

significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.



Adrian Crompton
Auditor General for Wales

27 June 2025

1 Capital Quarter, Tyndall Street,
Cardiff, CF10 4BZ.

Annual Accounts 2024/25

Foreword

These accounts have been prepared by Health Education and Improvement Wales, a Welsh Special Health Authority under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

These accounts cover the period 1st April 2024 to 31st March 2025.

Statutory background

HEIW was established as a Special Health Authority by establishment order 2017 No. 913 (W. 224), which was made 11th September 2017 and came into force on the 5th October 2017.

HEIW operated in a shadow form until 1st October 2018 with all establishment and set up costs being borne by the Welsh Government, and with the predecessor bodies of NHS Wales Shared Services Partnership (NWSSP) hosted by Velindre University NHS Trust and Cardiff University delivering operational activity to 30th September 2018. On 1st October 2018 staff were transferred into HEIW and the organisation became fully operational.

HEIW has a leading role in the education, training, development and shaping of the healthcare workforce, supporting high-quality care for the people of Wales.

Performance Management and Financial Results

HEIW must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the Primary Statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by HEIW which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

HEIW has an annual requirement to achieve a balanced year end position against the Resource and Capital limits set for the year.

Performance against these limits is reported in Note 2 to the financial statements.

Statement of Comprehensive Net Expenditure for the period ended 31 March 2025

	Note	2024-25 £000	2023-24 £000
Non Medical Education And Training	3.1	138,215	127,905
Postgraduate Medical, Dental and Pharmacy Education	3.2	162,163	142,388
Other Operating Expenditure	3.3	52,232	45,084
		352,610	315,377
Less: Miscellaneous Income	4	(1,439)	(955)
Net operating costs before interest and other gains and losses		351,171	314,422
Investment Revenue	5	0	0
Other (Gains)/Losses	6	0	0
Finance costs	7	11	14
Net operating costs for the financial period		351,182	314,436

See note 2 on page 126 for details of performance against Revenue and Capital allocations.

The notes on pages 116 to 186 form part of these accounts.

Other Comprehensive Net Expenditure

	2024-25 £000	2023-24 £000
Net (gain)/loss on revaluation of property, plant and equipment	0	0
Net (gain)/loss on revaluation of right of use assets	0	0
Net (gain)/loss on revaluation of intangibles	0	0
(Gain)/loss on other reserves	0	0
Net (gain)/loss on revaluation of available for sale financial assets	0	0
Impairment and reversals	0	0
Other comprehensive net expenditure for the period	0	0
Total comprehensive net expenditure for the period	351,182	314,436

The notes on pages 116 to 186 form part of these accounts.

Statement of Financial Position as at 31 March 2025

	Notes	31 March 2025 £000	31 March 2024 £000
Non-current assets			
Property, plant and equipment	11	1,810	1,965
Right of Use Assets	11.3	909	1,196
Intangible assets	12	2,305	465
Trade and other receivables	15	446	342
Other financial assets	16	0	0
Total non-current assets		5,470	3,968
Current assets			
Inventories			
Inventories	14	0	0
Trade and other receivables	15	10,775	7,664
Other financial assets	16	0	0
Cash and cash equivalents	17	3,611	6,787
		14,386	14,451
Non-current assets classified as "Held for Sale"	11	0	0
Total current assets		14,386	14,451
Total assets		19,856	18,419
Current liabilities			
Trade and other payables	18	(14,542)	(14,782)
Other financial liabilities	19	0	0
Provisions	20	(536)	(34)
Total current liabilities		(15,078)	(14,816)
Net current assets/ (liabilities)		(692)	(365)
Non-current liabilities			
Trade and other payables	18	(679)	(993)
Other financial liabilities	19	0	0
Provisions	20	0	0
Total non-current liabilities		(679)	(993)
Total assets employed		4,099	2,610
Financed by:			
Taxpayers' equity			
General Fund		4,099	2,610
Revaluation reserve		0	0
Total taxpayers' equity		4,099	2,610

The financial statements on pages 111 to 115 were approved by the Board on 26.06.25

Chief Executive and Accountable Officer *Angela Howells* Date: 26.06.25

The notes on pages 116 to 186 form part of these accounts.

Statement of Changes in Taxpayers' Equity For the period ended 31 March 2025

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity			
Balance b/f as at 31 March 2024	2,610	0	2,610
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
Balance at 1 April 2024	2,610	0	2,610
Net operating cost for the period	(351,182)		(351,182)
Net gain/(loss) on revaluation of property, plant and equipment	0	0	0
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	0	0	0
Transfers to/from (please specify)	0	0	0
Total recognised income and expense for period	(351,182)	0	(351,182)
Net Welsh Government funding	347,900		347,900
Welsh Government notional funding	4,771		4,771
Balance at 31 March 2025	4,099	0	4,099

Notional Welsh Government funding line includes 9.4% staff employer pension costs paid centrally by Welsh Government.

The Department of Health and Social Care (DHSC) 2023–24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019–20 for employer contributions will continue in 2024–25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension:

➤ HEIW Staff (note 3.3) = £2.149m

➤ Single Lead Employer (SLE) Staff (note 3.2) = £2.622m

The notes on pages 116 to 186 form part of these accounts.

Statement of Changes in Taxpayers' Equity For the year ended 31 March 2024

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity			
Balance b/f as at 31 March 2023	2,859	0	2,859
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Balance at 1 April 2023	2,859	0	2,859
Net operating cost for the year	(314,436)		(314,436)
Net gain/(loss) on revaluation of property, plant and equipment	0	0	0
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for period	(314,436)	0	(314,436)
Net Welsh Government funding	311,518		311,518
Welsh Government notional funding	2,669		2,669
Balance at 31 March 2024	2,610	0	2,610

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split;

Notional 6.3% staff employer pension

➤ HEIW Staff (note 3.3) = £1.224m

➤ Single Lead Employer (SLE) Staff (note 3.2) = £1.445m

The notes on pages 116 to 186 form part of these accounts.

Statement of Cash Flows for period ended 31 March 2025

	Notes	2024-25 £000	2023-24 £000
Cash Flows from operating activities			
Net operating cost for the financial period		(351,182)	(314,436)
Movements in Working Capital	27	(3,902)	3,608
Other cash flow adjustments	28	6,038	3,481
Provisions utilised	20	0	0
Net cash outflow from operating activities		(349,046)	(307,347)
Cash Flows from investing activities			
Purchase of property, plant and equipment		(314)	(880)
Proceeds from disposal of property, plant and equipment		0	0
Purchase of intangible assets		(1,405)	(299)
Proceeds from disposal of intangible assets		0	0
Payment for other financial assets		0	0
Proceeds from disposal of other financial assets		0	0
Payment for other assets		0	0
Proceeds from disposal of other assets		0	0
Net cash inflow/(outflow) from investing activities		(1,719)	(1,179)
Net cash inflow/(outflow) before financing		(350,765)	(308,526)
Cash Flows from financing activities			
Welsh Government funding (including capital)		347,900	311,518
Capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases and on-SoFP		0	0
Capital element of payments in respect of on-SoFP PFI		0	0
Capital element of payments in respect of Right of Use Assets		(311)	(308)
Cash transferred (to)/ from other NHS bodies		0	0
Net financing		347,589	311,210
Net increase/(decrease) in cash and cash equivalents		(3,176)	2,684
Cash and cash equivalents (and bank overdrafts) at 1 April 2024		6,787	4,103
Cash and cash equivalents (and bank overdrafts) at 31 March 2025		3,611	6,787

The notes on pages 116 to 186 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Special Health Authorities (SHAs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024–25 Manual for Accounts. The accounting policies contained in that manual follow the 2024–25 Financial Reporting Manual (FRm), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the SHA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the SHA are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Income and funding

The main source of funding for the SHA are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the SHA. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match

actual expenditure incurred. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the SHA and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the SHA for the Welsh Government. Income received from LHBs transacting with the SHA is always treated as miscellaneous income.

From 2018–19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4 Employee benefits

1.4.1 Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2 Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England

and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

1.4.3 NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at

the fair value of the consideration payable.

1.6 Property, plant and equipment

1.6.1 Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2 Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

At the Statement of Financial Position date the building asset held by the SHA relates solely to expenditure on leasehold improvements, which is carried at depreciated cost.

Future asset purchases that are not leasehold improvements will be carried on the following basis:

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date

of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that

arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015–16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS 13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the

directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being “replaced” can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated. For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

1.7 Intangible assets

1.7.1 Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it

- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement – The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8 Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered

an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

1.9 Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for

recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows:

The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application HEIW has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application has been employed per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by HEIW in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The entity will not apply IFRS 16 to any new leases of intangible assets applying the treatment described in section 1.7 instead.

HEIW is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. There are currently no such arrangements in place.

HEIW is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value. There are currently no such arrangements in place.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 HEIW as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right

of use asset and corresponding lease liability. The entity employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset HEIW applies a revised rate to the remaining lease liability.

Where existing leases are modified HEIW must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by HEIW.

1.11.2 HEIW as lessor

The entity does not lease out any of its assets and is therefore not a lessor.

1.12 Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in

intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

HEIW does not currently hold any inventory.

1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14 Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected

that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1 Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2024-25 and 2023-24, although no costs were apportioned to the SHA during the year. The WRP is hosted by Velindre NHS Trust.

1.15 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.16 Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.17 Financial assets

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.17.1 Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.17.2 Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.17.4 Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment

losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.17.5 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.18 Financial liabilities

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of

trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.18.1 Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.18.2 Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.18.3 Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.19 Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.20 Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.21 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in

the accounts since the NHS Wales organisation has no beneficial interest in them. HEIW does not hold any third party assets.

1.22 Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRP).

The NHS Wales organisation accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5-50%, the liability is disclosed as a contingent liability.

1.23 Pooled budget

In accordance with section 33 of the NHS (Wales) Act 2006, NHS Wales organisations are able to operate pooled budgets with Local Authorities for specific activities defined in the Pooled budget Note.

HEIW has not entered into any pooled budget arrangements.

1.24 Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.25 Key sources of estimation uncertainty

There are no estimation uncertainties at the SoFP date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.26 Private Finance Initiative (PFI) transactions

The SHA has no PFI arrangements.

1.27 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting

requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28 Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where there is a transfer of function the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29 Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM:

IFRS14 Regulatory Deferral Accounts – Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2023. Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

IFRS 18 Presentation and Disclosure in Financial Statements – Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures – Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30 Accounting standards issued that have been adopted early

During 2024–25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31 Charities

HEIW has no NHS Charitable Funds.

2. Financial Duties Performance

The statutory financial duties of Special Health Authorities are set out in section 172 of the National Health Service (Wales) Act 2006.

Section 172(1) sets out what is referred to as the 'First Financial Duty' – a duty to secure that SHA expenditure does not exceed the aggregate of the funding allotted to it for a financial year. Under the powers of direction in the National Health Service (Wales) Act section 172(6) WHC/2019/004 clarified that the annual statutory financial duty is set separately for revenue and capital resource allocations.

2.1 Revenue Resource Performance

	Financial performance 2024-25
	£000
Net operating costs for the period	351,182
Less general ophthalmic services expenditure and other non-cash limited expenditure	0
Less revenue consequences of bringing PFI schemes onto SoFP	0
Less any non funded revenue consequences of IFRS	0
Total operating expenses	351,182
Revenue Resource Allocation	351,516
Under /(over) spend against Allocation	334

HEIW has met its financial duty to break-even against its Revenue Resource Limit over the period.

2.2 Capital Resource Performance

	2024-25
	£000
Gross capital expenditure	2,163
Add: Losses on disposal of donated assets	0
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	0
Adjustment for transfers (to)/from NHS Trusts	0
Less: capital grants received	0
Less: donations received	0
Less IFRS16 Peppercorn income	0
Less initial recognition of RoU Asset Dilapidations	0
Add: recognition of RoU Assets Dilapidations on crystallisation	0
Charge against Capital Resource Allocation	2,163
Capital Resource Allocation	2,186
(Over) /Underspend against Capital Resource Allocation	23

HEIW has met its financial duty to break-even against its Capital Resource Limit over the period.

2.3 Integrated Medium Term Plan

The SHA has submitted an Integrated Medium Term Plan for the period 2024–27 in accordance with NHS Wales Planning Framework 2024–27. However, as this was not a statutory requirement for SHAs under the NHS Finance (Wales) Act 2014 the plan did not require Ministerial approval.

2.4 Creditor payment

The SHA is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The SHA has achieved the following results:

	2024-25	2023-24
Total number of non-NHS bills paid	8,504	7,913
Total number of non-NHS bills paid within target	8,242	7,572
Percentage of non-NHS bills paid within target	96.9%	95.7%

Health Education Improvement Wales has met the target.

3. Analysis of gross operating costs

3.1 Non Medical Education and Training

	2024-25	2023-24
	£000	£000
Student Training Fees (Universities)	71,231	66,139
Additional Training Costs (Universities)	0	0
Funding for Healthcare Education Fees (Health Boards and Trusts)	5,967	5,951
Student Bursaries Reimbursement (Universities)	18,424	18,921
Student Salaries Reimbursement (Health Boards and Trusts)	28,675	24,055
Advanced Practice Training fees	2,023	2,002
Healthcare Support Working Training	2,438	2,959
Non-Medical Prescribing	364	316
Training related Travel and Subsistence	5,995	5,174
Disability Support Allowance	1,156	882
Mental Health Workforce Plan	1,942	1,506
Other	0	0
Total	138,215	127,905

3.2 Postgraduate Medical, Dental and Pharmacy Education

	2024-25	2023-24
	£000	£000
Training Grade Salaries	72,340	66,222
Postgraduate Centre and Study Leave	4,965	4,916
GP Registrars	51,643	39,984
Dental Foundation Trainees	10,993	9,768
Pharmacy Training	13,043	13,438
Induction and Refresher	244	102
Welsh Clinical Academic Training	2,065	1,639
GP CPD and Appraisal Costs	1,143	1,141
Trainee Relocation Expenses	2,629	2,381
Primary Care	1,467	1,528
Optometry	423	278
Other	1,208	991
Total	162,163	142,388

3.3 Other Operating Expenditure

	2024-25 £000	2023-24 £000
Local Health Boards	477	114
Welsh NHS Trusts	211	35
Welsh Special Health Authorities	0	0
Goods and services from other NHS bodies	0	0
NWJCC/ WHSSC and EASC	0	0
Local Authorities	0	0
Purchase of healthcare from non-NHS bodies	0	0
Welsh Government	0	0
Other NHS Trusts	0	0
Directors' costs	1,562	1,267
Operational Staff costs	34,036	29,022
Supplies and services – clinical	101	121
Supplies and services – general	4,292	3,967
Consultancy Services	208	308
Establishment	4,887	4,668
Transport	0	0
Premises	3,188	2,899
External Contractors	653	526
Depreciation	478	528
Depreciation RoU Asset)	287	287
Amortisation	0	0
Fixed asset impairments and reversals (Property, plant and equipment)	0	0
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments and reversals of financial assets	0	0
Impairments and reversals of non-current assets held for sale	0	0
Audit fees	177	205
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	200	223
Research and Development	0	0
Expense related to short-term leases	0	0
Expense related to low-value asset leases (excluding short-term leases)	0	0
Other operating costs	1,475	914
Total	52,232	45,084

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2024-25 £000	2023-24 £000
Increase/(decrease) in provision for future payments:		
Clinical negligence;		
– Secondary care	0	0
– Primary care	0	0
– Redress Secondary care	0	0
– Redress Primary care	0	0
Personal injury	0	0
All other losses and special payments	45	0
Defence legal fees and other administrative costs	51	0
Gross increase/(decrease) in provision for future payments	96	0
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	104	223
Less: income received/due from Welsh Risk Pool	0	0
Total	200	223

	2024-25 £000	2023-24 £000
Permanent injury included within personal injury £:	0	0

4. Miscellaneous Income

	2024-25	2023-24
	£000	£000
Local Health Boards	48	0
NWJCC/WHSSC and EASC	0	0
NHS trusts	244	90
Welsh Special Health Authorities	107	34
Foundation Trusts	0	0
Other NHS England bodies	0	0
Other NHS Bodies	0	0
Local authorities	0	0
Welsh Government	214	244
Welsh Government Hosted Bodies	0	0
Non NHS:		
– Private patient income	0	0
– Overseas patients (non-reciprocal)	0	0
– Injury Costs Recovery (ICR) Scheme	0	0
– Other income from activities	0	0
Patient transport services	0	0
Education, training and research	792	540
Charitable and other contributions to expenditure	0	0
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	0	35
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	0	0
NWSSP	0	0
Deferred income released to revenue	0	0
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	0	0
Other income		
– Provision of laundry, pathology, payroll services	0	0
– Accommodation and catering charges	0	0
– Mortuary fees	0	0
– Staff payments for use of cars	0	0
– Business units	0	0
– Scheme Pays Reimbursement Notional	0	0
– Other	34	12
Total	1,439	955

Injury Cost Recovery (ICR) Scheme income is subject to a provision for impairment re personal injury claims

	2024-25	2023-24
	%	%
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.45	23.07

5. Investment Revenue

	2024-25	2023-24
	£000	£000
Rental revenue:		
PFI Finance lease income		
– planned	0	0
– contingent	0	0
Other finance lease revenue	0	0
Interest revenue:		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	0	0

6. Other gains and losses

	2024-25	2023-24
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	0	0
Gain/(loss) on disposal other than by sale of right of use assets	0	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	0	0

7. Finance costs

	2024-25	2023-24
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	11	14
Interest on obligations under PFI contracts		
– main finance cost	0	0
– contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	11	14
Provisions unwinding of discount	0	0
Other finance costs	0	0
Total	11	14

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

SHA as lessee

As at 31st March 2025 the SHA has 2 lease agreements that are not accounted for under IFRS16 as they are considered low value/short term assets. The leases both relate to equipment.

	Low Value and Short Term	Other	Total	
	2024-25	2024-25	2024-25	2023-24
	£000	£000	£000	£000
Payments recognised as an expense				
Minimum lease payments	5	0	5	5
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	5	0	5	5

Total future minimum lease payments

Payable	£000	£000	£000	£000
Not later than one year	5	0	5	5
Between one and five years	16	0	16	0
After 5 years	0	0	0	0
Total	21	0	21	5

As a result of the implementation of IFRS 16 the current year operating lease figures relate to low value and short term leases only.

SHA as lessor

Rental revenue	2024-25	2023-24
	£000	£000
Rent	0	0
Contingent rents	0	0
Total revenue rental	0	0

Total future minimum lease payments

Receivable	£000	£000
Not later than one year	0	0
Between one and five years	0	0
After 5 years	0	0
Total	0	0

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	Total 2024-25	Total 2023-24
	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	25,116	1,883	317	0	21	27,337	23,797
Social security costs	2,718	0	0	0	0	2,718	2,369
Employer contributions to NHS Pension Scheme	5,433	0	0	0	0	5,433	4,014
Other pension costs	5	0	0	0	0	5	6
Other employment benefits	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0
Total Employee costs	33,272	1,883	317	0	21	35,493	30,186
Charged to capital						409	256
Charged to revenue						35,084	29,930
						35,493	30,186
Net movement in accrued employee benefits (untaken staff leave)						53	(48)

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	Total 2024-25	Total 2023-24
	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	375	19	6	0	0	400	344
Medical and dental	50	2	0	0	0	52	50
Nursing, midwifery registered	12	4	0	0	0	16	13
Professional, Scientific, and technical staff	38	2	0	0	0	40	35
Additional Clinical Services	1	0	0	0	0	1	1
Allied Health Professions	5	1	0	0	0	6	6
Healthcare Scientists	3	0	0	0	0	3	2
Estates and Ancillary	0	0	0	0	0	0	0
Students	0	0	0	0	0	0	0
Total	484	28	6	0	0	518	451

9.3 Retirements due to ill-health

	2024-25	2023-24
Number	1	0
Estimated additional pension costs £	509	0

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

9.4 Employee benefits

HEIW SHA has four employee benefit schemes. There are two salary sacrifice schemes for bikes and lease cars and a further scheme for childcare vouchers that is closed to new entrants. There is also an employee loans and savings scheme offered through an external financial wellbeing provider.

9.5 Reporting of other compensation schemes – exit packages

9.5.1 Exit Packages Costs and Numbers

Exit packages cost band (including any special payment element)	2024-25		2024-25		2023-24
	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	2
£10,000 to £25,000	0	0	0	0	2
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	4

Exit packages cost band (including any special payment element)	2024-25		2024-25		2023-24
	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	18,515
£10,000 to £25,000	0	0	0	0	29,813
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	48,328

Total Exit costs paid in year	Total paid in year	Total paid in year
	2024-25 £	2023-24 £
Exit costs paid in year	0	48,328
Total	0	48,328

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

Where the SHA has agreed early retirements, the additional costs are met by the SHA and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

9.5 Reporting of other compensation schemes – exit packages continued

9.5.2 Analysis of other departures

Type of other departures	2024-25	2024-25
	Agreements	Total value of agreements
	Number	£
Voluntary redundancies including early retirement contractual costs	0	0
Contractual payments in lieu of notice*	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring Welsh Government Approval**	0	0
Other please specify	0	0
Other please specify	0	0
Total	0	0

This disclosure provides detail for the number and value of exit packages agreed in the year.

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 9.5.1 which will be the number of individuals.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director /employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

	2024-25			2023-24		
	£000 Chief Executive	2024-25 £000 Employee	2024-25 Ratio	£000 Chief Executive	2023-24 £000 Employee	2023-24 Ratio
Total pay and benefits						
25th percentile pay ratio	178	37	4.79:1	173	32	5.31:1
Median pay	178	55	3.25:1	173	52	3.34:1
75th percentile pay ratio	178	114	1.56:1	173	107	1.61:1
Salary component of total pay and benefits						
25th percentile pay ratio	178	37		173	32	
Median pay	178	55		173	52	
75th percentile pay ratio	178	114		173	107	

	2024-25		
	£000 Highest Paid Director	2024-25 £000 Employee	2024-25 Ratio
Total pay and benefits			
25th percentile pay ratio	203	37	5.47:1
Median pay	203	55	3.71:1
75th percentile pay ratio	203	114	1.78:1
Salary component of total pay and benefits			
25th percentile pay ratio	203	37	
Median pay	203	55	
75th percentile pay ratio	203	114	

In 2024-25, 1 (2023-24, 0) employee, who is a director of the organisation, received remuneration in excess of the Chief Executive. Remuneration for all staff ranged from £23,465 to £202,284 (full year equivalent) (2023-24, £17,901 to £170,919).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees

Financial year summary

Between 2023/24 and 2024/25 the ratio of the median remuneration of the workforce and the Chief Executive decreased from 3.34:1 to 3.25:1. The median for total pay and benefits for the year was £54,550 (£51,706 2023/24), which equates to the entry step point of the 8a Agenda for Change payscale in both financial years.

The median and 75th percentile values have increased in line with the pay awards applied during the year. The larger increase in the 25th percentile reflects the higher proportion of new staff joining HEIW on bands 4 to 6 during the year, which are below the median value.

Pay rates for all employees of HEIW are set nationally, predominately through the Executive and Senior Pay Terms and conditions of service, the Agenda for Change agreement and the Medical and Dental Terms and Conditions of Service. Where employees remain on the Cardiff University terms following TUPE into HEIW these are amended in line with any Agenda for Change pay awards during the year.

In 2023/24 the Chief Executive was the highest paid director and therefore in the table above comparative figures relate to the Chief Executive role only.

9.6.2 Percentage Changes

	2023-24	Restated
	to	2022-23
	2024-25	to
	%	2023-24
		%
% Change from previous financial year in respect of Chief Executive		
- Salary and allowances	5	4
- Performance pay and bonuses	0	0

9.7 Pension Costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy – Measure of Compliance

10.1 Prompt payment code – measure of compliance

The Welsh Government requires that the SHA pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the SHA financial targets a requirement to pay 95% of the rules. number of non-NHS creditors within 30 days of delivery.

	2024-25 Number	2024-25 £000	2023-24 Number	2023-24 £000
NHS				
Total bills paid	3,868	147,168	3,181	122,303
Total bills paid within target	3,516	138,787	2,953	116,997
Percentage of bills paid within target	90.9%	94.3%	92.8%	95.7%
Non-NHS				
Total bills paid	8,504	127,154	7,913	118,082
Total bills paid within target	8,242	123,140	7,572	114,914
Percentage of bills paid within target	96.9%	96.8%	95.7%	97.3%
Total				
Total bills paid	12,372	274,322	11,094	240,385
Total bills paid within target	11,758	261,927	10,525	231,911
Percentage of bills paid within target	95.0%	95.5%	94.9%	96.5%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2024-25 £	2023-24 £
Amounts included within finance costs (note 7) from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	0	0

11. Property, plant and equipment

2024-25	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	0	1,463	0	0	1,421	0	1,743	470	5,097
Revaluation/Indexation	0	0	0	0	0	0	0	0	0
Additions									
– purchased	0	7	0	0	0	0	316	0	323
– donated	0	0	0	0	0	0	0	0	0
– government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other organisations	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(12)	0	(666)	0	(678)
At 31 March 2025	0	1,470	0	0	1,409	0	1,393	470	4,742
Depreciation at 1 April 2024	0	771	0	0	761	0	1,136	464	3,132
Revaluation/Indexation	0	0	0	0	0	0	0	0	0
Transfer from/into other organisations	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(12)	0	(666)	0	(678)
Provided during the period	0	154	0	0	151	0	167	6	478
At 31 March 2025	0	925	0	0	900	0	637	470	2,932

2024-25	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
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Net book value at 1 April 2024	0	692	0	0	660	0	607	6	1,965
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Net book value at 31 March 2025	0	545	0	0	509	0	756	0	1,810
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Net book value at 31 March 2025 comprises:

Purchased	0	545	0	0	494	0	756	0	1,795
Donated	0	0	0	0	15	0	0	0	15
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2025	0	545	0	0	509	0	756	0	1,810

Asset financing:

Owned	0	545	0	0	509	0	756	0	1,810
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2025	0	545	0	0	509	0	756	0	1,810

The net book value of land, buildings and dwellings at 31 March 2025 comprises:

Freehold	0
Long Leasehold	545
Short Leasehold	0
	545

Building Assets' held by HEIW relate to leasehold improvements and are depreciated over the shorter of the remainder of the lease or the assessed life of the asset. The asset value of the leased building is included within note 11.3 – Right of Use Assets

11.1 Property, plant and equipment

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2023-24									
Cost at 31 March bf	0	1,431	0	0	566	0	1,821	470	4,288
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	0	1,431	0	0	566	0	1,821	470	4,288
Revaluation/Indexation	0	0	0	0	0	0	0	0	0
Additions									
– purchased	0	32	0	0	591	0	257	0	880
– donated	0	0	0	0	0	0	0	0	0
– government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other organisations	0	0	0	0	264	0	0	0	264
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	(335)	0	(335)
At 31 March 2024	0	1,463	0	0	1,421	0	1,743	470	5,097
Depreciation at 31 March bf	0	624	0	0	519	0	1,167	400	2,710
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at at 1 April 2022	0	624	0	0	519	0	1,167	400	2,710
Revaluation/Indexation	0	0	0	0	0	0	0	0	0
Transfer from/into other organisations	0	0	0	0	229	0	0	0	229
Reclassifications	0	0	0	0	0	0	0	0	0

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
2023-24									
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	(335)	0	(335)
Provided during the period	0	147	0	0	13	0	304	64	528
At 31 March 2023	0	771	0	0	761	0	1,136	464	3,132
Net book value at 1 April 2023	0	807	0	0	47	0	654	70	1,578
Net book value at 31 March 2024	0	692	0	0	660	0	607	6	1,965
Net book value at 31 March 2024 comprises:									
Purchased	0	692	0	0	625	0	607	0	1,930
Donated	0	0	0	0	35	0	0	0	35
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2024	0	692	0	0	660	0	607	0	1,965
Asset financing:									
Owned	0	692	0	0	660	0	607	0	1,965
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2024	0	692	0	0	660	0	607	0	1,965

The net book value of land, buildings and dwellings at 31 March 2024 comprises:

	£000
Freehold	0
Long Leasehold	692
Short Leasehold	0
	<u>692</u>

Building Assets' held by HEIW relate to leasehold improvements and are depreciated over the shorter of the remainder of the lease or the assessed life of the asset.

11. Property, plant and equipment (continued)

Additional disclosures re Property, Plant and Equipment

Disclosures:

i) Donated Assets

HEIW has not received any donated assets during the year.

ii) Valuations

The SHA is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency. Leasehold improvements are depreciated over the shorter of the remainder of the lease or the assessed life of the asset.
- Equipment 5-15 years.

iv) Compensation

No compensation has been received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

There have not been write downs.

vi) The SHA does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.

There are no assets held for sale or sold in the period.

11.2 Non-current assets held for sale

	Land	Buildings including dwellings	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2024	0	0	0	0	0	0
Plus assets classified as held for sale in the period	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the period	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2025	0	0	0	0	0	0
Balance brought forward 1 April 2023	0	0	0	0	0	0
Plus assets classified as held for sale in the year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the year	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2024	0	0	0	0	0	0

Assets sold in the period

There were no assets sold in the period.

Assets classified as held for sale during the period

No assets were classified as held for sale during 2024–25.

11.3 Right of Use Assets

HEIW has one building lease that falls under the reporting requirements of IFRS16 and is accounted for as a Right of Use asset in the Statement of Financial Position.

	Land	Land and buildings	Buildings	Dwellings	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
2024-25	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April	0	1,770	0	0	0	0	0	0	1,770
Additions	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March	0	1,770	0	0	0	0	0	0	1,770
Depreciation at 1 April	0	574	0	0	0	0	0	0	574
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	0	287	0	0	0	0	0	0	287
At 31 March	0	861	0	0	0	0	0	0	861
Net book value at 1 April	0	1,196	0	0	0	0	0	0	1,196
Net book value at 31 March	0	909	0	0	0	0	0	0	909

	Land	Land and buildings	Buildings	Dwellings	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
RoU Asset Total Value Split by Lessor									
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Market Value Leases	0	909	0	0	0	0	0	0	909
Private Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Private Sector Market Value Leases	0	0	0	0	0	0	0	0	0
Total	0	909	0	0	0	0	0	0	909

11.3 Right of Use Assets

HEIW has one building lease that falls under the reporting requirements of IFRS16 and is accounted for as a Right of Use asset in the Statement of Financial Position.

	Land	Land and buildings	Buildings	Dwellings	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2023-24									
Cost or valuation at 31 March	0	1,770	0	0	0	0	0	0	1,770
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0		0	0	0	0	0	0	0
Cost or valuation at 1 April	0	1,770	0	0	0	0	0	0	1,770
Additions	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March	0	1,770	0	0	0	0	0	0	1,770
Depreciation at 31 March	0	287	0	0	0	0	0	0	287
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Depreciation at 1 April	0	287	0	0	0	0	0	0	287
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0

	Land	Land and buildings	Buildings	Dwellings	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	0	287	0	0	0	0	0	0	287
At 31 March	0	574	0	0	0	0	0	0	574
Net book value at 1 April	0	1,483	0	0	0	0	0	0	1,483
Net book value at 31 March	0	1,196	0	0	0	0	0	0	1,196
RoU Asset Total Value Split by Lessor									
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Market Value Leases	0	1,196	0	0	0	0	0	0	1,196
Private Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Private Sector Market Value Leases	0	0	0	0	0	0	0	0	0
Total	0	1,196	0	0	0	0	0	0	1,196

11.3 Right of Use Assets (continued)

Quantitative disclosures

	2024-25 Land	2024-25 Buildings	2024-25 Other	2024-25 TOTAL	2023-24 TOTAL
Maturity analysis					
Contractual undiscounted cash flows relating to lease liabilities					
Less than 1 year	0	322	0	322	322
2-5 years	0	685	0	685	1,007
> 5 years	0	0	0	0	0
Less finance charges allocated to future periods	0	-14	0	-14	-25
Total	0	993	0	993	1,304

Lease Liabilities (net of irrecoverable VAT)

Current				314	311
Non-Current				679	993
Total				993	1,304

Amounts Recognised in Statement of Comprehensive Net Expenditure

Depreciation				287	287
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				11	14
Sub-leasing income				0	0
Expense related to short-term leases				0	0
Expense related to low-value asset leases (excluding short-term leases)				0	0

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)

Interest expense				-11	-14
Repayments of principal on leases				-311	-308
Total				-322	-322

12. Intangible non-current assets 2024–25

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure - internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	0	0	0	0	0	465	465
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions - purchased	109	0	0	0	0	1,322	1,431
Additions - internally generated	0	0	0	0	0	409	409
Additions - donated	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2025	109	0	0	0	0	2,196	2,305
Amortisation at 1 April 2023	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the period	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2025	0	0	0	0	0	0	0
Net book value at 1 April 2024	0	0	0	0	0	465	465
Net book value at 31 March 2025	109	0	0	0	0	2,196	2,305
At 31 March 2025							
Purchased	109	0	0	0	0	1,531	1,640
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	665	665
Total at 31 March 2025	109	0	0	0	0	2,196	2,305

12.1 Intangible non-current assets 2023-24

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure – internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2023	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions – purchased	0	0	0	0	0	209	209
Additions – internally generated	0	0	0	0	0	256	256
Additions – donated	0	0	0	0	0	0	0
Additions – government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2024	0	0	0	0	0	465	465
Amortisation at 1 April 2023	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the period	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2024	0	0	0	0	0	0	0
Net book value at 1 April 2023	0	0	0	0	0	0	0
Net book value at 31 March 2024	0	0	0	0	0	465	465
At 31 March 2024							
Purchased	0	0	0	0	0	209	209
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	256	256
Total at 31 March 2024	0	0	0	0	0	465	465

During 2023/24 HEIW commenced the development of a single trainee platform that is due for completion in 2024/25. The project has been funded through strategic Welsh Government capital funding and will be recognised as an asset under construction until the asset becomes operational. The development is a combination of both internal and external resources.

13. Impairments

	2024-25					
	Property, plant and equipment	Right of Use Assets	Intangible assets	Held for sale assets	Financial Assets	Total Asset Impairment
	£000	£000	£000	£000	£000	£000
Impairments arising from:						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Total of all impairments	0	0	0	0	0	0

Analysis of impairments charged to reserves in period:

Impairments charged to the Statement of Comprehensive Net Expenditure	0	0	0	0	0	0
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
	0	0	0	0	0	0

2023-24

	Property, plant and equipment	Right of Use Assets	Intangible assets	Held for sale assets	Financial Assets	Total Asset Impairment
	£000	£000	£000	£000	£000	£000
Impairments arising from:						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Total of all impairments	0	0	0	0	0	0

Analysis of impairments charged to reserves in period:

Impairments charged to the Statement of Comprehensive Net Expenditure	0	0	0	0	0	0
Impairments as a result of revaluation/ indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
	0	0	0	0	0	0

14.1 Inventories

	31 March 2025 £000	31 March 2024 £000
Drugs	0	0
Consumables	0	0
Energy	0	0
Work in progress	0	0
Other	0	0
Total	0	0
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2025 £000	31 March 2024 £000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	0	0

15. Trade and other Receivables

	31 March 2025 £000	31 March 2024 £000
Current		
Welsh Government	10	32
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	396	96
Welsh NHS Trusts	283	66
Welsh Special Health Authorities	93	8
Non-Welsh Trusts	15	41
Other NHS	0	0
2019-20 Scheme Pays – Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim Reimbursement;		
– NHS Wales Secondary Health Sector	0	0
– NHS Wales Primary Sector FLS Reimbursement	0	0
– NHS Wales Redress	0	0
– Other	0	0
Local Authorities	0	0
Capital debtors – Tangibles	0	0
Capital debtors – Intangibles	0	0
Other receivables	2,743	1,273
Provision for irrecoverable debts	(599)	(494)
Pension Prepayments NHS Pensions	0	0
Other prepayments	7,834	6,642
Other accrued income	0	0
Sub total	10,775	7,664
Non-current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non-Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays – Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim Reimbursement;		
– NHS Wales Secondary Health Sector	0	0
– NHS Wales Primary Sector FLS Reimbursement	0	0
– NHS Wales Redress	0	0

	31 March 2025 £000	31 March 2024 £000
- Other	0	0
Local Authorities	0	0
Capital receivables – Tangibles	0	0
Capital receivables – Intangibles	0	0
Other receivables	446	342
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	0	0
Sub total	446	342
Total	11,221	8,006

15. Trade and other Receivables

	31 March 2025 £000	31 March 2024 £000
Receivables past their due date but not impaired		
By up to three months	33	53
By three to six months	2	27
By more than six months	31	30
	66	110

Expected Credit Losses (ECL) previously Allowance for bad and doubtful debts

Balance at 1 April	(494)	(271)
Transfer to other NHS Wales body	0	0
Amount written off during the period	43	135
Amount recovered during the period	44	35
(Increase)/decrease in receivables impaired	(192)	(393)
ECL/Bad debts recovered during period	0	0
Balance at 31 March	(599)	(494)

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

Receivables VAT

Trade receivables	172	278
Other	0	0
Total	172	278

16. Other Financial Assets

	Current 31 March 2025 £000	Current 31 March 2024 £000	Non-current 31 March 2025 £000	Non-current 31 March 2024 £000
Financial assets				
Shares and equity type investments				
- Held to maturity investments at amortised costs	0	0	0	0
- At fair value through SOCNE	0	0	0	0
- Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
- Right of Use Asset Finance Sublease	0	0	0	0
- Held to maturity investments at amortised costs	0	0	0	0
- At fair value through SOCNE	0	0	0	0
- Available for sale at FV	0	0	0	0
Total	0	0	0	0

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure

	2024-25	2023-24
RoU Sub-leasing income	0	0

17. Cash and cash equivalents

	31 March 2025 £000	31 March 2024 £000
Opening Balance	6,787	4,103
Net change in cash and cash equivalent balances	(3,176)	2,684
Balance at 31 March	3,611	6,787
Made up of:		
Cash held at Government Banking Service (GBS)	3,611	6,787
Commercial banks	0	0
Cash in hand	0	0
Cash and cash equivalents as in Statement of Financial Position	3,611	6,787
Bank overdraft – GBS	0	0
Bank overdraft – Commercial banks	0	0
Cash and cash equivalents as in Statement of Cash Flows	3,611	6,787

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

- ↘ Lease Liabilities (ROUA) £0.31m
- ↘ Lease Liabilities (short-term and low value leases) £0m

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

18. Trade and other payables

	31 March 2025 £000	31 March 2024 £000
Current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	4,553	5,516
Welsh NHS Trusts	2,525	1,889
Welsh Special Health Authorities	5	0
Other NHS	101	737
Taxation and social security payable/refunds	37	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	9
Non-NHS trade payables - revenue	3,760	4,692
Local Authorities	4	97
Capital payables - Tangible	9	0
Capital payables - Intangible	702	202
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	314	311
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	482	423
Non NHS Accruals	2,045	906
Deferred Income:		
Deferred Income brought forward	0	0
Deferred Income Additions	5	0
Transfer to/from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets - deferred credits	0	0
Payments on account	0	0
Sub total	14,542	14,782

	31 March 2025 £000	31 March 2024 £000
Non-current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable/refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS trade payables – revenue	0	0
Local Authorities	0	0
Capital payables – Tangible	0	0
Capital payables – Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	679	993
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income:		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to/from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets – deferred credits	0	0
Payments on account	0	0
Sub total	679	993
Total	15,221	15,775

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued)

Amounts falling due more than one year are expected to be settled as follows:

	2024-25 £000	2023-24 £000
Between one and two years	317	314
Between two and five years	362	679
In five years or more	0	0
Sub-total	679	993

19. Other financial liabilities

Financial liabilities	Current 31 March 2025 £000	Current 31 March 2024 £000	Non-current 31 March 2025 £000	Non-current 31 March 2024 £000
Financial Guarantees:				
- At amortised cost	0	0	0	0
- At fair value through SoCNE	0	0	0	0
Derivatives at fair value through SoCNE	0	0	0	0
Other:				
- At amortised cost	0	0	0	0
- At fair value through SoCNE	0	0	0	0
Total	0	0	0	0

20. Provisions

2024-25	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	45	0	0	0	45
Defence legal fees and other administration	0	0	0	0	51	0	0		51
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	34		0	0	406	0	0		440
Total	34	0	0	0	502	0	0	0	536

2024-25

Non Current

Clinical negligence:

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0	0

2024-25	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
TOTAL									
Clinical negligence:									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	45	0	0	0	45
Defence legal fees and other administration	0	0	0	0	51	0	0	0	51
Pensions relating to former directors	0	0	0	0	0	0	0	0	0
Pensions relating to other staff	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays – Reimbursement	0	0	0	0	0	0	0	0	0
Restructuring	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0
Other	34	0	0	0	406	0	0	0	440
Total	34	0	0	0	502	0	0	0	536

Expected timing of cash flows:

	In year to 31 March 2026 £000	Between 1 April 2026 31 March 2030 £000	Thereafter £000	Total £000
Clinical negligence:				
Secondary care	0	0	0	0
Primary care	0	0	0	0
Redress Secondary care	0	0	0	0
Redress Primary care	0	0	0	0
Personal injury	0	0	0	0
All other losses and special payments	45	0	0	45
Defence legal fees and other administration	51	0	0	51
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays – Reimbursement	0	0	0	0
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	440	0	0	440
Total	536	0	0	536

Provisions relate to:

- Potential repayment of VAT recovered on a number of specific items of expenditure currently subject to review by HMRC.
- Potential defense and settlement costs for 2 Single Lead employer tribunal cases. HEIW is not a named party in the claims but may be liable to share costs as part of the Service Level Agreement with NHS Wales Shares Services Partnership.
- Potential reimbursement of course fees relating to prior year agreements

20. Provisions (continued)

2023-24	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0	0	0
Pensions relating to former directors	0	0	0	0	0	0	0	0	0
Pensions relating to other staff	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0
Restructuring	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	34	0	0	0	34
Total	0	0	0	0	34	0	0	0	34

2023-24

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Non Current									
Clinical negligence:									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0	0

2023-24	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the period	Utilised during the period	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
TOTAL									
Clinical negligence:									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0		0
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	34	0	0		34
Total	0	0	0	0	34	0	0	0	34

A provision was set up in 2023/24 for the probable recovery of VAT by HMRC on specific IT expenditure.

21. Contingencies

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts:

Legal claims for alleged medical or employer negligence

Secondary Care

Primary Care

Secondary Care Redress

Primary Care Redress

Doubtful debts

Equal Pay costs

Defence costs

Continuing Health Care costs

Other

Total value of disputed claims

Amounts recovered in the event of claims being successful

Net contingent liability

31 March 2025 £000	31 March 2024 £000
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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0	0
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21.2 Remote Contingent liabilities

Please disclose the values of the following categories of remote contingent liabilities:

	31 March 2025 £000	31 March 2024 £000
Guarantees	0	0
Indemnities	0	0
Letters of Comfort	0	0
Total	0	0

21.3 Contingent assets

	31 March 2025 £000	31 March 2024 £000
	0	0
	0	0
	0	0
Total	0	0

22. Capital commitments

Contracted capital commitments

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	31 March 2025 £000	31 March 2024 £000
Property, plant and equipment	0	0
Right of Use Assets	0	0
Intangible assets	16	685
Total	16	685

Capital Commitments include VAT where charged. In some cases VAT can subsequently be recovered under the Contracted Out Services rules

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2025	
	Number of cases	£
Clinical negligence:	0	0
– Secondary Care	0	0
– Primary Care	0	0
– Redress Secondary Care	0	0
– Redress Primary Care	0	0
Personal injury	0	0
All other losses and special payments	0	0
Total	0	0

23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year claims in excess of £300,000		Cumulative amount
	Number of cases	£	£
Cases in excess of £300,000:			
Sub-total	0	0	0
All other cases paid in year	0	0	0
Total cases paid in year	0	0	0

23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number of cases	£
Cumulative amount up to £300k	0	0
Cumulative amount greater than £300k	0	0
Total	0	0

24. Right of Use leases obligations

24.1 Obligations (as lessee)

Amounts payable under right of use asset leases:

	Land 31 March 2025 £000	Buildings 31 March 2025 £000	Other 31 March 2025 £000	TOTAL 31 March 2025 £000
2024-25				
Minimum lease payments				
Within one year	0	322	0	322
Between one and five years	0	685	0	685
After five years	0	0	0	0
Less finance charges allocated to future periods	0	-14	0	-14
Minimum lease payments	0	993	0	993
Included in:				
- Current borrowings	0	314	0	314
- Non-current borrowings	0	679	0	679
	0	993	0	993
Present value of minimum lease payments				
Within one year	0	314	0	314
Between one and five years	0	679	0	679
After five years	0	0	0	0
Present value of minimum lease payments	0	993	0	993
Included in:				
- Current borrowings	0	314	0	314
- Non-current borrowings	0	679	0	679
	0	993	0	993

	Land 31 March 2024 £000	Buildings 31 March 2024 £000	Other 31 March 2024 £000	TOTAL 31 March 2024 £000
2023-24				
Minimum lease payments				
Within one year	0	322	0	322
Between one and five years	0	1,007	0	1,007
After five years	0	0	0	0
Less finance charges allocated to future periods	0	-25	0	-25
Minimum lease payments	0	1,304	0	1,304
Included in:				
- Current borrowings	0	311	0	311
- Non-current borrowings	0	993	0	993
	0	1,304	0	1,304
Present value of minimum lease payments				
Within one year	0	311	0	311
Between one and five years	0	993	0	993
After five years	0	0	0	0
Present value of minimum lease payments	0	1,304	0	1,304
Included in:				
- Current borrowings	0	311	0	311
- Non-current borrowings	0	993	0	993
	0	1,304	0	1,304

24.2 Right of Use Assets lease receivables (as lessor)

The SHA has no RoU leases receivable as a lessor.

Amounts receivable under right of use assets:

	31 March 2025 £000	31 March 2024 £000
Gross Investment in leases		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in:		
– Current financial assets	0	0
– Non-current financial assets	0	0
	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	0	0
Included in:		
– Current financial assets	0	0
– Non-current financial assets	0	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The SHA has no PFI schemes which are deemed to be on or off the statement of financial position.

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The SHA is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The SHA has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the SHA in undertaking its activities.

Currency risk

The SHA is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The SHA has no overseas operations and therefore has low exposure to currency rate fluctuations.

Interest rate risk

The SHA is not permitted to borrow. The SHA therefore has low exposure to interest rate fluctuations

Credit risk

Because the majority of the SHA funding derives from funds voted by the Welsh Government the SHA has low exposure to credit risk.

Liquidity risk

The SHA is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The SHA is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2024-25	2023-24
	£000	£000
(Increase)/decrease in inventories	0	0
(Increase)/decrease in trade and other receivables – non-current	(104)	(342)
(Increase)/decrease in trade and other receivables – current	(3,111)	2,069
Increase/(decrease) in trade and other payables – non-current	(314)	(311)
Increase/(decrease) in trade and other payables – current	(240)	2,048
Total	(3,769)	3,464
Adjustment for accrual movements in fixed assets – creditors	(509)	(202)
Adjustment for accrual movements in fixed assets – debtors	0	0
Adjustment for accrual movements in right of use assets – creditors	311	309
Adjustment for accrual movements in right of use assets – debtors	0	0
Other adjustments	65	37
	(3,902)	3,608

28. Other cash flow adjustments

	2024-25	2023-24
	£000	£000
Depreciation	765	815
Amortisation	0	0
(Gains)/Loss on Disposal	0	0
Impairments and reversals	0	0
Release of PFI deferred credits	0	0
Donated assets received credited to revenue but non-cash	0	(35)
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	0	0
Non-cash movements in provisions	502	34
Other movements	4,771	2,667
Total	6,038	3,481

Other movements are Notional funding received for the SHA notional 9.4% Staff Employer Pension Contributions funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 26th June 2025.

30. Related Party Transactions

The Welsh Government is regarded as a related party. During the accounting period SHA has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body. These are set out on the table below along with details of the transactions with other organisations in which senior members of the organisation have an interest.

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	4	348,372	0	10
Welsh LHBS	122,471	477	4,553	396
Welsh NHS Trusts	77,944	369	2,525	283
Welsh Special Health Authorities	822	110	5	93
Local Authorities	550	0	4	0
Swansea University	23,341	0	422	1,614
Cardiff University	27,618	0	1,191	1,122
Royal College of Physicians (RCP)	2	0	2	0
St Kentigerns Hospice	1	0	0	0
	252,753	349,328	8,702	3,518

In the table above:

- 'Amounts due from related party' include prepaid expenditure that is reflected in the HEIW Statement of Financial Position as at 31 March 2025 and will be released to the Statement of Comprehensive Net Expenditure in future accounting periods.
- Expenditure is shown net of any recovery where payments are made in advance on a contracted schedule and subsequently repaid to HEIW.

During the year, other than the individuals set out below, there were no other material related party transactions involving other board members or key senior management staff.

Dr. Chris Jones has an honorary fellowship at Cardiff University.

Dr. Tom Lawson is an honorary Chair at Cardiff University, Chair of RCP Rheumatology exam and is a consultant rheumatologist at Cardiff and Vale UHB.

Professor John Gammon is a Professor at Swansea University and is employed as Bank/Consultant at Hywel Dda Health Board.

Donna MacArthur is a volunteer with St. Kentigerns hospice.

Jayne Sadgrove is a Senior Professional Fellow at Cardiff University.

Pushpinder Mangat is an Honorary Professor Swansea Medical School.

All other declarations where there were no transactions with HEIW during 2024/25 are published in the Register of Members Interest.

31. Third Party Assets

The SHA does not hold cash on behalf of third parties.

32. Pooled budgets

The SHA does not operate any pooled budgets.

33. Operating segments

IFRS 8 requires bodies to report information about each of its operating segments.

The SHA is deemed to operate as one segment.

34. Other Information

34.1. 9.4% Staff Employer Pension Contributions – Notional Element

The notional transactions are based on estimated costs for the twelve month period, calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions as at month eleven and the actual employer staff payments for month 12.

Transactions include notional expenditure in relation to the 9.4% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2024-25	2023-24
	£000	£000
Statement of Comprehensive Net Expenditure for the period ended 31 March 2025		
3.2 Postgraduate Medical, Dental and Pharmacy Education	2,622	1445
3.3 Other Operating Expenditure	2,149	1224
Statement of Changes in Taxpayers' Equity for the period ended 31 March 2025		
Net operating cost for the year	-4,771	-2,669
Notional Welsh Government Funding	4,771	2,669
	31 March	31 March
	2025	2024
Statement of Cash Flows for period ended 31 March 2025		
Net operating cost for the financial year	0	0
Other cash flow adjustments	4,771	2,669
2.1 Revenue Resource Performance		
Revenue Resource Allocation	4,771	2,669
	2024-25	2023-24
	£000	£000
3. Analysis of gross operating costs		
3.2 Postgraduate Medical, Dental and Pharmacy Training		
GP Registrars	2,196	1122
Dental Foundation Trainees	223	147
Pharmacy Training	193	161
Induction and Refresher	9	1
Training Grade Salaries	0	9
Other	1	6
3.3 Other Operating Expenditure		
Directors' costs	100	55
Staff costs	2,049	1169

	2024-25	2023-24
	£000	£000
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	2,149	1224
Charged to capital	25	12
Charged to revenue	2,124	1212

18. Trade and other payables

Current

Pensions: staff	0	0
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28. Other cash flow adjustments

Other movements	4,771	2,669
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The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Other

34.2 IFRS 17 – Insurance Contract Disclosures

The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

Statement of Financial Position

	£000
(Signage as per provision note disclosure)	0
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	<u>0</u>
	0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	<u>0</u>
	0

Statement of Comprehensive Net Expenditure/ Statement of Comprehensive Income

*Delete as appropriate

	£000
(Signage as per income and expenditure note disclosure)	0
Insurance Income	0
Insurance expenditure	<u>0</u>

**THE NATIONAL HEALTH SERVICE IN WALES
ACCOUNTS DIRECTION GIVEN BY WELSH
MINISTERS IN ACCORDANCE WITH PARAGRAPH
3(1) OF SCHEDULE 9 TO THE NATIONAL HEALTH
SERVICE (WALES) ACT 2006 (C.42) AND WITH
THE APPROVAL OF TREASURY**

**HEALTH EDUCATION AND
IMPROVEMENT WALES**

1. Health Education and Improvement Wales (HEIW), a special health authority, shall prepare accounts for the financial period 5th October 2017 to 31 March 2019 and subsequent financial years in the form specified in paragraphs 2 to 4 below.

BASIS OF PREPARATION

2. The accounts of HEIW shall comply with:

(a) the accounting principles and disclosure requirements of the Government Financial Reporting Manual ('the FReM') issued by HM Treasury which is in force for that financial year, as detailed in the NHS Wales Manual for Accounts; and

(b) any other specific guidance or disclosures required by the Welsh Government.

3. The accounts shall be prepared so as to:

(a) give a true and fair view of the state of affairs as at the year-end and of the net expenditure, financial position, cash flows and changes in taxpayers' equity for the financial year then ended; and

(b) provide disclosure of any material expenditure or income that has not been applied to the purposes intended by the Senedd Cymru - Welsh Parliament or material transactions that have not conformed to the authorities which govern them.

4. Compliance with the requirements of the FReM as detailed in the NHS Wales Manual for Accounts will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM as detailed in the NHS Wales Manual for Accounts is inconsistent with the requirement to give a true and fair view, the requirements of the FReM as detailed in the NHS Wales Manual for Accounts should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgment should be used to devise an appropriate alternative treatment which should be consistent both with the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with the Welsh Government.

Signed by the authority of the Welsh Ministers

Signed:

Dated:

Alan Brace, Director of Finance HSSG



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Health Education and
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