

# **Aneurin Bevan University Health Board – Annual Audit Summary 2025**

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

# Foreword



**Adrian Crompton**

Auditor General for  
Wales

I am pleased to share my Annual Audit Summary for Aneurin Bevan University Health Board (the Health Board). It summarises the main findings from my 2025 audit work undertaken to fulfil my responsibilities under the Public Audit (Wales) Act 2004 and the Well-Being of Future Generations (Wales) Act 2015.

I provided opinions on whether the accounts were properly prepared and gave a true and fair view, in all material aspects, and whether expenditure and income have been used for the purposes intended and in accordance with the authorities which govern you.

My audit team has also assessed whether the Health Board has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and acted in line with the sustainable development principle. In doing so, my audit team has undertaken my annual structured assessment work and reviewed planned care services, eye care services, urgent and emergency care services, and quality governance arrangements. As set out in my audit plan, these reviews have been carried out in line with the International Organisation of Supreme Audit Institutions (INTOSAI) standards.

At the time of publishing this summary, the Health Board was escalated to Level 4 for finance, strategy and planning under the Welsh Government's escalation and intervention arrangements. It was also escalated to Level 4 for performance and outcomes related to Urgent and Emergency Care.

The detailed audit findings for each of my reviews are set out in the respective reports which my audit team have presented to the Audit and Risk Assurance Committee throughout the year. The performance audit reports are available on the Audit Wales website and further links are available in the summary.

The Annual Audit Summary should be shared with the Board. I will then make the summary available to the public on the Audit Wales website.

I would like to extend my gratitude to the Health Board's staff for their help and cooperation throughout my audit.

## Your audit at a glance



I received the draft accounts in line with the statutory deadline of 2 May 2025. The quality of the draft accounts and working papers was good.



In advance of the statutory deadline of 30 June 2025, I issued an unqualified true and fair opinion, and a qualified regularity opinion. I also issued a substantive report on the accounts.

There were no uncorrected misstatements in the accounts. There were no other significant issues to report.



My performance audit work found that the Health Board has good governance arrangements, and the Board listens well to patients and service users. However, although financial oversight is strong and the Health Board has a good track record of savings delivery, its financial position remains a concern. The Health Board must focus on delivering its strategy as a means to transforming and creating financially sustainable services.

The Health Board is reducing some of the longest elective waits but there is more to do, including reducing the longest ophthalmology waits. Urgent and emergency care services have been altered to better meet demand, supported by strong plans and oversight.



My audit team made several recommendations to the Health Board which focus on strengthening service planning, management and transformation support, while enhancing operational efficiency and productivity to improve patient care and system sustainability.



There is still some work outstanding from my Audit Plan dated April 2025. My team expects to complete the majority of this work by March 2026.

# Audit of accounts findings

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Preparing annual accounts is an essential part of demonstrating the stewardship of public money. The accounts show the organisation's financial performance and set out its net assets, net operating costs, gains and losses, and cash flows. My annual audit of those accounts provides opinions on whether the accounts are properly prepared and give a true and fair view, in all material aspects, and the proper use ('regularity') of public monies.

My responsibilities in auditing the accounts are described in my [Statement of Responsibilities](#) publications, which are available on the [Audit Wales website](#).

The draft accounts were presented for audit on 2 May 2025. This was in line with the deadline of 2 May 2025 set by the Welsh Government. The quality of the draft accounts presented for audit was good.

## My audit opinions

I must report issues arising from my work to those charged with governance for consideration before I issue my audit opinion on the accounts. I reported these issues within my Audit of Accounts Report to the Audit and Risk Assurance Committee and the Board on 24 and 25 June 2025 respectively.

### True and fair

A small number of changes were made to the draft accounts arising from my audit work. There were no uncorrected misstatements and there were no other significant issues to report.

My work did not identify any material weaknesses in internal controls (as relevant to my audit). I have, however, made recommendations where there is scope to improve working papers and controls further. These were reported to the Audit Risk and Assurance Committee in October 2025.

I concluded that the Health Board's accounts were properly prepared and materially accurate and issued an unqualified audit opinion on them.



## Regularity

The Health Board is only allowed to receive income and incur expenditure in ways that follow the rules set by the authorities that govern it. Where a Health Board does not achieve financial balance, its expenditure exceeds its powers to spend and so I must qualify my regularity opinion.

The Health Board did not achieve financial balance for the three-year period ending 31 March 2025, which I deem to be outside its powers to spend, so I have issued a qualified opinion on the regularity of the financial transactions within the Health Board's 2024-25 accounts. The position at the end of the year was a deficit of £7.185 million against a breakeven target from the Welsh Government. This combined with the outturns for the previous two years contributed to a three-year deficit position of £93.793 million.

Alongside my audit opinion, I placed a substantive report on the Health Board's accounts to highlight the failure to achieve financial balance and the failure to have an approved three-year plan in place.

## Whole of Government Accounts

I also undertook a review of the Whole of Government Accounts return. I concluded that the counterparty consolidation information was consistent with the Health Board's financial position at 31 March 2025 and the return was prepared in accordance with the Treasury's instructions.

# Performance audit findings

## Structured assessment

My team looked at how well the Health Board is governed and whether it makes the best use of its resources.

I found that the Health Board has good governance arrangements and high-quality information is provided to support scrutiny. There remains a continued commitment to hearing from patients and services users, but the Health Board could do more to hear from staff.

The Health Board is improving how it manages risks and is finalising its corporate risk register. The Health Board has reasonable arrangements to provide assurance on risks and performance, but it needs to strengthen its assurances on the quality and safety of care.

The Health Board has a new and clear long-term strategy. It has also strengthened its medium-term planning approach, although I note that since reporting my structured assessment, a deteriorating financial position subsequently led the Welsh Government to revoke its IMTP approval in December 2025.

Although financial oversight is strong and the Health Board has a good track record of savings delivery, its financial position is getting worse, with a forecast year-end deficit for 2025-26 of £19.9 million. This year, £28.3 million of its £42.5 million planned savings are recurrent.

I made six recommendations focused on:

- introducing reporting on declarations of interest compliance;
- making more use of staff stories at Board and committee meetings;
- formally reporting progress on actions following patient safety leadership walk arounds;
- redeveloping its Quality Outcomes Framework report to better highlight issues and provide assurance;
- improving oversight of local clinical audit activity determined through a risk-based assessment; and
- tracking recommendations from other bodies including Healthcare Inspectorate Wales and Public Services Ombudsman for Wales.

The Health Board has fully implemented 12 outstanding recommendations since my last structured assessment report. Two recommendations remain in progress, three have not yet started, and one has been replaced by a new recommendation made this year.

## Managing planned care

My team looked at the progress the Health Board is making in tackling its planned care challenges and reducing its waiting list backlog.

I found that with the assistance of additional short-term funding the Health Board has made good progress in reducing the longest waits. However, the overall number of patients waiting remains high, with the majority of national targets not met, in particular, those waiting for their first outpatient appointment. The Health Board needs to seek opportunities to improve productivity and efficiency. It also needs to accelerate the introduction of arrangements to support patients who are waiting and to improve how it reports on harm resulting from planned care delays.

I made five recommendations focused on:

- developing a detailed Planned Care improvement plan;
- strengthening its reporting on the use and impact of the additional Welsh Government planned care funding;
- opportunities for further efficiency and productivity improvements;
- establishing a contact centre under the Promote, Prevent and Prepare for Planned Care policy<sup>1</sup> and rolling out the service to all specialties; and
- managing clinical risks associated with long waits, including developing consistent methodologies and routine reporting.

<sup>1</sup> Promote, Prevent and Prepare for planned care. Phase 1 was required to be delivered by March 2024. This included the establishment of a single point of contact for people to access information and support following referral to specialist secondary care.

## Eye Care Review

My team looked at whether the Health Board has effective arrangements to improve eye care services. My team reviewed local and regional arrangements.

I found that the regional eye-care strategy sets a positive direction, but progress has been slow. Governance arrangements are in place to oversee regional delivery, but decision-making on business cases can be slow and cumbersome, involving multiple groups across the three health boards. It is worth noting that regional working has shifted away from its original ambition of developing specialist services more broadly, focusing instead on creating short-term service capacity for cataract procedures. While the regional cataract approach aims to reduce long waits, thus far it has not significantly impacted the overall number of patients awaiting treatment.

Whilst the Health Board has been able to reduce its longest ophthalmology waits, it has not met the Welsh Government's planned care recovery targets. Performance against the 'eye care measure' is poor and, as a result, some patients are likely to be coming to avoidable harm.

In the context of these challenges, there is a need to strengthen local planning of eye care services, broaden the scope of regional working, secure further productivity and efficiency gains, and strengthen board and committee oversight of ophthalmology services.

I made seven recommendations focused on:

- regional partners speeding up decision-making processes for agreeing business cases;
- regional partners developing a resource plan to better understand the operational and clinical commitment needed for each partner organisation;
- regional partners agreeing realistic but appropriately ambitious timescales for the three phases of the South East Wales Regional Ophthalmology Strategy;
- urgently completing the development of its eye care plan seeking to address current and future challenges;
- twice-yearly updates being provided to the appropriate committee on the plan's delivery, once approved by the Board;

- reviewing operational and strategic risk registers; and
- the Patient, Quality and Safety Outcomes Committee to receive assurance on how the risk of harm to ophthalmology patients is being managed, lessons learned from reviews and actual harm caused by waiting delays.

## Managing urgent and emergency demand

My team looked at how well the Health Board is managing demand for urgent and emergency care to reduce unnecessary pressure on the system.

I found that the Health Board is altering its urgent and emergency care services to better meet demand, supported by strong plans and oversight. However, whilst changes are leading to improvements in some areas, there is a need to make better use of other alternatives to its Emergency Department and to undertake stronger engagement with patients and staff to inform plans.

I made 10 recommendations focused on:

- strengthening risk management within plans;
- funding arrangements for the Six Goals Programme beyond March 2025;
- signposting urgent and emergency care services on GP and dental practices' websites;
- reviewing the communication and referral process between secondary care and GPs;
- ensuring the WAST Directory of Services remains up to date and establishing a mechanism to share the Directory with community and care home staff;
- working with key staff, including WAST to improve access and utilisation of referrals for appropriate alternative urgent and emergency care services;
- use of patient feedback to inform urgent and emergency care plans;
- regular mechanisms for staff feedback on service changes, to include key partners such as primary care and WAST;
- primary care representation at the Six Goals for Urgent and Emergency Care Improvement Programme Board; and

- developing and communicating guidance for staff on evaluating benefits of expenditure on projects.

## Quality Governance Arrangements

My team considered whether the Board was receiving the necessary assurance that the Health Board is taking appropriate steps to respond to the requirements on the Health and Social Care (Quality and Engagement) (Wales) Act 2020. In doing so, my team also looked at the progress made by the Health Board in addressing my 2022 audit quality governance arrangements recommendations.

I found that the Health Board is making progress implementing the 2022 quality governance recommendations but still has more to do to secure the necessary improvements to its quality governance arrangements. The Health Board is taking reasonable steps to implement the Duties of Quality and Candour but needs to improve the take-up of staff training on the requirements associated with these duties.

The Health Board has fully implemented five of the 16 recommendations from my previous audit. Nine recommendations remain in progress and two have not been implemented. I made four new recommendations focused on:

- improving arrangements for staff to raise concerns, including updating its procedure and monitoring the impact of external support services and accreditation initiatives;
- approving an update or addendum to the current 'Putting Things Right' Policy to reflect the current organisational structure and Duty of Quality and Duty of Candour requirements;
- evaluating the impact of centralising the Quality and Patient Safety teams; and
- strengthening arrangements for Duty of Quality and Duty of Candour e-learning training, including increasing staff uptake rates and the monitoring and reporting of these.

## Performance audit work still underway

At the time of reporting, the following reviews from the 2025 Audit Plan were still underway at the Health Board:

- estates management;
- digital transformation;
- GP managed contact arrangements; and
- review of cancer services.

# Audit quality

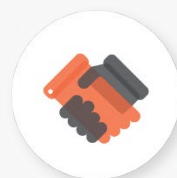
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We use three lines of assurance to show how we achieve this. We have set up an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



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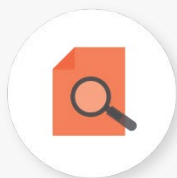
- Selection of right team
- Use of specialists
- Supervisions and review



## Arrangements for achieving audit quality

### Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



## Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring



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