

2026/27 Capital Programme

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Approval/Scrutiny route:	Business Executive Team
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<p>Purpose</p> <p>This report provides the Executive team with an update on the planned capital expenditure, discretionary and strategic, for 2026/27. Along with an overview of the strategic capital replacement programme. Strategic schemes are those that are submitted to Welsh Government for funding, as items of this value cannot be accommodated from within the discretionary funding.</p> <p>The Board is asked to approve the proposed plan, and to delegate the management of the approved plan to the capital-planning group.</p>
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Recommendation:				
APPROVE <input checked="" type="checkbox"/>	CONSIDER <input checked="" type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input type="checkbox"/>
The Board is asked to: <ul style="list-style-type: none"> Approve the proposed discretionary capital spending plans for 2026/27 Note the anticipated strategic allocation for 2026/27, proposed strategic capital replacement programmes, and associated business cases. 				

Link to Public Health Wales [Strategic Plan](#)

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.

This report contributes to the following:

Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
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Summary impact analysis

Equality and Health Impact Assessment	Not Applicable
Risk and Assurance	All financial risks are reflected in the paper
Health and Care Standards	This report supports and/or takes into account the Health and Care Standards for NHS Wales Quality Themes
	Governance, Leadership and Accountability
	Theme 7 - Staff and Resources
	Choose an item.
Financial implications	Financial information included in the paper
People implications	Not applicable

1. Introduction

This report provides the Board with the planned discretionary capital expenditure for 2026/27. As well as Public Health Wales approved and anticipated strategic allocation for 2026/27, proposed strategic capital replacement programmes and associated business cases.

The Business Executive Team is asked to approve the proposed plan and recommendation to delegate the management of the approved plan to the capital-planning group.

2. Discretionary Capital Funding 2026/27

The Public Health Wales discretionary capital allocation has increased by £109k from £1.700m to £1.809m for 2026/27. The main purpose of our discretionary allocation is to fund our replacement programme.

Requests have been invited from across Public Health Wales to access the discretionary capital funding. Directorates submit requests through the completion of a Statement of Need. The Statements of Need are reviewed and allocated indicative funding by the Capital Planning Group for recommendation to Business Executive Team for approval.

The Capital Planning Group membership includes the Deputy Director of Finance, Head of Estates and Health and Safety, Head of Financial Planning, Head of Digital Experience and Services, Assistant Director of Operations for Health Protection and Screening Services, Chair of the Business and Planning leads Group and Strategy and Planning Manager.

Once approved the spending plan will be managed through the Capital Monitoring Group, consisting of relevant service representation.

All capital requests require different levels of assurance based on the value of request submitted:

- £0-25k – Statement of Need and three quotes
- £25k-£100k – Detailed Statement of Need and three quotes
- £100k - £180k – Business case required. Capital Planning Group will assess whether these requests can be accommodated within the discretionary capital allocation or submitted to Welsh Government for Strategic funding.
- £180k+ (10% of Discretionary allocation) - Business case to Welsh Government based on the five-case business model

Bids should be submitted by Directorates in line with the best practice process outlined above and include indicative quotes and informed estimates. The bids received have been scrutinised and reviewed by the

Capital Planning Group during February 2026. The approved schemes are required to obtain further quotes/tenders to comply with our procurement requirements and therefore costings may need to be adjusted as a result. **Table A** summarises the capital schemes and their estimated values recommended for approval by the Capital Planning Group:

Table A

Servia Area	Scheme Description	FY 26-27 £000
Digital	B/F from 2025/26 - Cloud Services	15
Digital	Replacement of UPSes (Uninterruptible Power Supplies)	35
Digital	Replacement of PCs	160
Digital	Refresh of Windows Server Licensing across estate	80
Digital	Digital Prioritisation	350
Total Digital		640
Estates	B/F from 25/26 - Fire Suppression works	42
Estates	Construction of new bin compound BTW CR	10
Estates	Automate entrance doors and clinic areas at Kimberley House	24
Estates	Provision of PODs at Seasons House (not able to fund from 25/26 available funding)	30
Estates	Clinic waste room/space, which needs to be lockable/secure	10
Estates	Kitchen improvement upgrades on the 3rd floor	15
Estates	Remedial works to address issues with external rendering.	
Estates	Painting of external wooden window frames.	124
Estates	Upgrade toilet facilities	20
Estates	BTW Llandudno - upgrade works to Admin office air conditioning system	15
Estates	Resurface microbiology benches, windowsills and replenish storage furniture with suitable non-porous, chemically resistant materials	30
Estates	BTW Llandudno - AC in server room	11
Total Estates		331
HPSS - Infection	B/F from 25/26 - Replacement of Cold Room, Bacteriology, Cardiff Lab	59
HPSS - Infection	Replacement of five end of life Microbiological Safety Cabinets (MSC) across network	83
HPSS - Infection	Purchase of four in-situ DS2 instruments which are currently part of Serology MSC but will not be supported under new 3-year contract	14
HPSS - Infection	Replacement autoclave at WCM Cardiff	103
HPSS - Infection	Maldi	90
HPSS - Infection	Replacement microscope	14
Total HPSS - Infection		363
HPSS - Screening	B/F from 25/26 - Redevelopment of NBSWS and Awnbhs clinical IT systems	10
HPSS - Screening	Replace otoports (over asset life)	150
Total HPSS - Screening		160
LIMS	LIMS Capital requirement 2026/27	30
Total LIMS		30
Contingency	Contingency	285
Total Contingency		285

A full list of capital bids submitted can be found in **Appendix A**.

Table A above contains all capital bids listed as high priority.

There remains an element of discretionary capital, which is yet to be allocated of £285k. This will be held for urgent repairs and replacements.

3. Strategic Capital Funding 2026/27

Approved Strategic Capital Funding

Public Health Wales has received a strategic allocation of up to £7.502m in respect of the Lung Screening Programme 2026-29. The funding will be used to deliver this service using mobile CT scanning units operating across the whole of Wales.

Anticipated Strategic Capital Funding

In 2025/26 Public Health Wales submitted a multi-year business case for the Digital Health Protection Programme, which was approved by the Digital Investment Panel within Welsh Government. Cabinet Secretary approval was secured for the first year of funding (2025/26) with the agreement that the Digital Investment Fund would capture approval for subsequent years in their annual planning process. We have yet to receive confirmation of funding for 2026/27.

In addition, Public Health Wales submitted a business case to Welsh Government for 3-year programme for Diabetic Eye Screening Wales (DESW) vehicle replacement during 2025/26. The business case was approved for year 1 and we received a strategic allocation of £0.359m in 2025/26. There is however a requirement to submit annual business cases for years 2 and 3 of the replacement programme. We are working closely with the service to monitor the scheme with the intention to submit a business case for year 2, 2026/27, with an estimated strategic requirement of £0.734m.

There may be potential to access slippage funding later in the financial year if strategic schemes across Wales slip.

Table B summarises our approved and anticipated strategic capital funding.

Table B

Scheme/Funding Stream	FY 26-27 £000s	FY 27-28 £000s	FY 28-29 £000s
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Lung Cancer Screening Programme	91	3,906	3,506
Approved All Wales Strategic Capital Fund	91	3,906	3,506
DESW Van replacement - phase 2	734	624	0
Anticipated All Wales Strategic Capital Fund	734	624	0
Digital Health Protection Programme	3,579	2,297	0
Anticipated Digital Prioritisation Investment Fund (DPIF)	3,579	2,297	0
Total All Wales Strategic Schemes	4,403	6,826	3,506

Unapproved Strategic Capital Funding

Welsh Government announced new capital funds for 2025/26 and 2026/27, namely:

- ❖ Targeted Estates Fund - An NHS Wales total of £40m has been agreed for 2026-27. The Welsh Government's contribution to approved projects through TEF will be 70% with organisations required to support 30% out of discretionary capital.
- ❖ Equipment and Diagnostic Replacement Programme - To support waiting times, sustainability, and fragility in the system, it has been agreed that £15m will be prioritised in 2026-27.
- ❖ Digital Prioritisation Investment Fund – £40m will be available to bid against for transformational change.

Public Health Wales have not submitted any bids against these funds for 2026/27 as we don't currently have any strategic capital requirements that meet the criteria of these funds.

Public Health Wales are working on several business cases, which will require All Wales Strategic Capital Funding, details of which can be found in **Table C**. Timelines for completion and submission of business case are being finalised.

Table C

Scheme/Funding Stream	FY 26-27 £000s	FY 27-28 £000s	FY 28-29 £000s	Comments
Temperature monitoring system for microbiology laboratories across network	350			Business Case Submitted
Automation Workstream		3,000		Business Case to be drafted
Various laboratory developments/modernisation:		3,000	3,000	Business Case to be drafted
Replacement of Immutable Storage (Cybervault)	300			Business Case to be drafted
Replacement of Screening Virtual Infrastructure Platform	200			Business Case to be drafted
Replacement of Virtual Infrastructure Platform at main Disaster Recovery & DESW Sites	350	80		Business Case to be drafted
Seegene Equipment	0	1,270	0	Business Case to be drafted
Total Unapproved Strategic Capital	1,200	7,350	3,000	

Three additional business cases are being developed, namely

- ❖ Sexual Health Management System – business case due in 2026/27,
- ❖ Strategic Approach to Screening Digital – business case due in 2026/27, and
- ❖ Digital Health Improvement – further work needed to determine requirements.

The estates plan has been amended to reflect the need to scope the significant laboratory modernisation work required. A total estimate of £6.000m funding has been included over 2027/28 and 2028/29. However, the scoping work will need to be undertaken in 2026/27 in order to support the development of a business case.

Table D summaries the total three-year position on strategic capital both approved and unapproved as of March 2026.

Table D

Scheme/Funding Stream	FY 26-27 £000s	FY 27-28 £000s	FY 28-29 £000s
Lung Cancer Screening Programme	91	3,906	3,506
Approved Strategic Capital	91	3,906	3,506
DESW Van replacement - phase 2	734	624	0
Digital Health Protection Programme	3,579	2,297	0
Anticipated Strategic Capital	4,313	2,921	0
Temperature monitoring system for microbiology laboratories across network	350		
Automation Workstream		3,000	
Various laboratory developments/modernisation:		3,000	3,000
Replacement of Immutable Storage (Cybervault)	300		
Replacement of Screening Virtual Infrastructure Platform	200		
Replacement of Virtual Infrastructure Platform at main			
Disaster Recovery & DESW Sites	350	80	
Seegene Equipment	0	1,270	0
Sexual Health Management System	0	0	0
Digital Health Improvement	0	0	0
Strategic Approach to Screening Digital	0	0	0
Total Unapproved Strategic Capital	1,200	7,350	3,000
Total Strategic Capital	5,603	14,176	6,506

Recommendation

That the executive team:

1. Approve the proposed discretionary capital spending plans for 2026/27.

2. Note the approved and anticipated strategic allocation for 2026/27 (Table B), the proposed strategic capital replacement programmes bids and the status of the strategic capital business cases (Table C).

Appendix A – Full list of Capital Bids 2026/27

Service Area	Scheme Description	FY 26-27 £000s
Digital	B/F from 2025/26 - Cloud Services	15
Digital	Replacement of UPSes (Uninterruptible Power Supplies)	35
Digital	120 x Monitors (new and replacement)	18
Digital	Replacement of PCs	420
Digital	Refresh of Windows Server Licensing across estate	80
Digital	Replacement of Printers and Scanners	10
Estates	B/F from 25/26 - Fire Suppression works	42
Estates	Construction of new bin compound BTW CR	10
Estates	Automate entrance doors and clinic areas at Kimberley House	24
Estates	Provision of PODs at Seasons House (not able to fund from 25/26 available funding)	30
Estates	Clinic waste room/space, which needs to be lockable/secure	10
Estates	Install 6 wall air-con units at Ysbyty Gwynedd laboratory and admin office	25
Estates	Kitchen improvement upgrades on the 3rd floor	15
Estates	Remedial works to address issues with external rendering.	
Estates	Painting of external wooden window frames.	124
Estates	Upgrade toilet facilities	20
Estates	BTW Llandudno - upgrade works to Admin office air conditioning system	15
Estates	Access control and intruder alarm upgrades at BTW Swansea	10
Estates	Replacement of roller shutters for doors and windows at Mountain Ash screening centre.	30
Estates	Resurface microbiology benches, windowsills and replenish storage furniture with suitable non-porous, chemically resistant materials	30
Estates	2 x Surface Hubs 50"	23
Estates	BTW Llandudno - AC in server room	11
HPSS - Health Protection	5 x Tablets for Engagement	6
HPSS - Infection	B/F from 25/26 - Replacement of Cold Room, Bacteriology, Cardiff Lab	59
HPSS - Infection	Replacement of five end of life Microbiological Safety Cabinets (MSC) across network	83
HPSS - Infection	Purchase of four in-situ DS2 instruments which are currently part of Serology MSC but will not be supported under new 3-year contract	14
HPSS - Screening	Replace otoports (over asset life)	150
HPSS - Infection	Replacement autoclave at WCM Cardiff	103



HPSS - Infection	Replacement autoclave at WCM Cardiff, Bangor and Singleton	103
HPSS - Infection	Replacement autoclave at WCM Cardiff, Bangor and Singleton	103
HPSS - Infection	Maldi	90
HPSS - Infection	Cold Room Cooler - To purchase and install a second refrigeration plant cooler system into the 1st floor shared walk in cold room at Singleton Microbiology	6
HPSS - Infection	Replacement microscope	14
HPSS - Screening	B/F from 25/26 - Redevelopment of NBSWS and AWWNBHS clinical IT systems	10
HPSS - Screening	Reinforced floor CSW Self sampling testing (already are reinforced area but flow would not be optimal)	15
LIMS	LIMS Capital requirement 2026/27	30
Digital	Replacement of Virtual Infrastructure Platform at main Disaster Recovery & DESW Sites	350
Digital	Replacement of Immutable Storage (air gapped Cybervault).	300
Digital	Replacement of Screening Virtual Infrastructure Platform	200
HPSS - Infection	Temperature monitoring system for microbiology laboratories across network	350
Total Capital Bids 2026/27		2,983