

 <p> <b>GIG</b>      CYMRU  <b>NHS</b>      WALES   </p> <p>     Iechyd Cyhoeddus      Cymru      Public Health      Wales   </p>	<p> <b>Name of Meeting</b>          Board       </p> <p> <b>Date of Meeting</b>          26<sup>th</sup> March 2026       </p> <p> <b>Agenda item:</b>          5.6       </p>
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## NHS Performance and Improvement Hosting Agreement for 2026/27 Onwards

<b>Executive lead:</b>	Paul Veysey – Board Secretary and Head of the Board Business Unit
<b>Author:</b>	Paul Veysey – Board Secretary and Head of the Board Business Unit

<b>Approval/Scrutiny route:</b>	<ul style="list-style-type: none"> <li>- Business Executive Team (BET) - BY EMAIL</li> <li>- Board for approval – 26 March 2026</li> </ul>
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<p><b>Purpose</b></p> <p>To present to the Board for approval the updated NHS Wales Performance and Improvement Hosting Agreement for the 2026/27 financial year onwards, together with an update on the hosting fee for 2026/27.</p>
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<b>Recommendation:</b>				
APPROVE <input checked="" type="checkbox"/>	CONSIDER <input type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input type="checkbox"/>

<p>The Board is asked to:</p> <ul style="list-style-type: none"> <li>- <b>Approve</b> the revised NHS Wales Performance and Improvement Hosting Agreement and hosting fee.</li> </ul>
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<p><b>Link to Public Health Wales <a href="#">Strategic Plan</a></b></p> <p>Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.</p> <p>This report contributes to the following:</p>
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<b>Strategic Priority/Well-being Objective</b>	Choose an item.
<b>Strategic Priority/Well-being Objective</b>	Choose an item.



<b>Strategic Priority/Well-being Objective</b>	Choose an item.
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<b>Summary impact analysis</b>	
<b>Equality and Health Impact Assessment</b>	An Equality and Health Impact Assessment is not required for this hosting arrangement.
<b>Risk and Assurance</b>	The risk and assurance matters are governed by the revised Hosting Agreement.
<b>Health and Care Standards</b>	This report supports and/or takes into account the <a href="#">Health and Care Standards for NHS Wales</a> Quality Themes  Governance, Leadership and Accountability Theme 7 - Staff and Resources Choose an item.
<b>Financial implications</b>	The cost of hosting the NHS Wales Performance and Improvement is met by the Hosting fee.
<b>People implications</b>	The Staff of the NHS Wales Performance and Improvement are employees of Public Health Wales. The provisions of the revised agreement seek to ensure implications for all staff are addressed to the extent of the hosting arrangement and that sufficient resource is in place to support the hosting functions.

## **1. Purpose / situation**

The purpose of this paper is to seek approval of the Hosting Agreement and Hosting Fee for the NHS Wales Performance and Improvement (formerly the NHS Executive), which will be in place and effective from 1<sup>st</sup> April 2026.

## **2. Background**

Public Health Wales has hosted NHS Wales Performance and Improvement (NHSP&I) (formerly the NHS Executive) since the initial agreement with the Welsh Ministers came into being on 1<sup>st</sup> April 2023.

Since that time, additional functions have been transferred into the NHSP&I, an addendum agreement was put in place for 2024/25 and a root and branch review of the hosting agreement was put in place for 2025/26.

This review added in service provision documents, strengthened assurance mapping, clarified roles, the hosting fee calculations and overall sought to strengthen the governance of the hosting arrangement.

The findings of the MAG review were also updated into the hosting agreement and a final agreement was approved by the Board in September 2026.

Since that time, there has been a drive by the Welsh Government to review and strengthen all hosted relationships within NHS Wales. Accordingly, the version of the hosting agreement approved by the Board in September 2026 has been further reviewed by Welsh Government colleagues and amendments have been suggested.

At Annex 1 is a copy of the proposed amended agreement with the changes highlighted in red.

## **3. Changes**

The changes to the agreement are minor and seek to clarify roles and arrangements further.

## **4. The Hosting Levy / Hosting Fee**

The hosting levy is made up of the base hosting fee and any additionally agreed hosting costs (predominantly PHW staff costs) required to deliver the hosting functions.

For 2026/27 NHS P&I have agreed to fund a 1.11% uplift to the general fee in line with the funding assumptions in the planning framework 2026/27 which states, the uplift is passed through unequivocally for health care agreements between commissioners and providers.

Any funding for the 2026/27 pay award will be directly allocated by Welsh Government to PHW.

The proposed hosting fee for 2026/27 is set out in the table below;

Funding area	2026/27 total
General Fee	£199,536
Uplift of 1.11% to the general fee	£2,215
Staffed POD and Finance support roles / resources	£165,211
IG and Datix roles specific funding	£111,892 (1 x B7 1 X B6)
<b>Total Hosting Fee</b>	<b>£478,854</b>

The following additional People and OD posts are funded by Welsh Government and are not incorporated into the hosting agreement.

The funding for the POD posts is negotiated directly with Welsh Government and currently funds:

- 1 x 8d post
- 2 x 8a posts

## 5. Well-being of Future Generations (Wales) Act 2015

*This work has been put together following the five ways of working, as defined within the sustainable development principle in the Act, in the following ways:*



The Hosting Agreement provides a long-term framework for the management of the hosting relationship.



The Hosting Agreement aims to prevent non-compliance and to mitigate risk through assurance.



The Hosting Agreement integrates the hosting function across the organisation with responsibilities set out.



The Hosting Agreement is the product of collaboration with the NHS Wales Performance and Improvement and the Welsh Government in order to host and facilitate.



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## 6. Recommendation

The Board is asked to:

- **Approve** the revised NHS Wales Performance and Improvement Hosting Agreement and Hosting fee for 2026/27 subject to agreement of the hosting fee.