

Bundle Reading Room 24 September 2026

- 9 Finance report month 5 2026/27
Item 09 Annex 2 Month 05 2026-26 – WAST Monitoring Return



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth Brifysgol GIG
Gwasanaethau Ambiwylans Cymru
Welsh Ambulance Services
University NHS Trust

Cadeirydd

Chair: Colin Dennis

Prif Weithredwr

Chief Executive: Emma Wood

Swyddfa Cyllid ac Adnoddau Corfforaethol

Finance and Corporate Resource Office

Mrs A Hughes
Head of NHS Financial Management
Welsh Government
North Wales NHS Financial Management
Sarn Mynach
Llandudno Junction
LL31 9RZ

11th September 2026

Your ref:

Dear Andrea,

Re: AUGUST 2026 (MONTH 05 2026/27) MONITORING RETURN

Please find attached the Monitoring Return for the Welsh Ambulance Services University NHS Trust for August 2026.

All automatic validation rules incorporated within the reporting template have been successfully passed.

In line with the submitted IMTP, the Trust's opening budgets and financial plan for the year reflected the assumed funding, expenditure plans and savings requirement supported by Commissioners and approved by the Trust Board in March 2026.

The Trust's performance against financial targets for Month 05 2026/27 is as follows: -

1. Actual Year to Date 2026/27 (Tables A, B & B2)

Income assumptions reflect those agreed within the IMTP and support the cost pressures identified through the Trust's detailed budget-setting process. The key funding assumptions at the outset of 2026/27 are that 2025/26 funding is, where applicable, fully recurrent, and that 2026/27 funding will include: -

- The nationally made available 1.11% uplift for core cost growth, which excludes any funding to meet the 2026/27 pay award costs, which will be subject to a future additional funding allocation;
- The impact of previously agreed developments and other adjustments, including income support in line with Commissioner support in previous and current IMTPs, together with funding for other nationally delivered projects.
- The Trust is assuming full financial support for the increase in the Welsh Risk Pool costs for 2026/27 in line with the guidance issued for those NHS bodies who are able to develop and deliver financial balance, excluding this Risk Pool increase.

Mae'r Ymddiriedolaeth yn croesawu gohebiaeth yn y Gymraeg neu'r Saesneg, ac na fydd gohebu yn Gymraeg yn arwain at oedi

The Trust welcomes correspondence in Welsh or English, and that corresponding in Welsh will not lead to a delay

www.ambulance.wales.nhs.uk

Pencadlys Rhanbarthol
Ambiwylans a Chanolfan
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The income assumptions include the full pass-through of both 2025/26 and 2026/27 pay funding, together with recurrent NI ERS funding from 2025/26. While the recurrent 2025/26 pay element and NI element have been passed through, the 2026/27 pay element is assumed to be recovered via Welsh Government, and guidance is awaited. Resolution will be required shortly, as this will affect the Trust's cash flow as the financial year progresses.

The reported performance at Month 05, as set out in Table B, is break-even. However, at this stage in the financial year, it is important to clearly articulate the key assumptions underpinning both the in-month position and the forecast year-end outturn.

Following confirmation in the Month 1 reply letter, the Trust has removed the impact of the uplift in the Welsh Risk Pool forecast. In line with the guidance, the Trust has assumed that this will be funded in full, based on the Trust continuing to forecast and deliver a break-even position.

Although the Trust Board approved a balanced financial plan for 2026/27 in March 2026, the plan recognised that further work would be required to achieve in-year balance. This included a minimum of £1.2m of additional and pipeline savings, wholly driven by the anticipated increase in Welsh Risk Pool costs. Since the financial plan and budgets were set, significant cost pressures have continued to emerge, particularly from the ongoing conflict in the Middle East and its impact on fuel prices and related industries. The forecast now incorporates an estimated pressure of approximately £1.12m, based on current pump price modelling and the assumption that prices remain at these levels throughout 2026/27. Given the timing of these impacts, they could not reasonably have been foreseen or included within the Trust's approved financial plan and budget. They therefore represent an immediate and significant in-year cost pressure, which cannot be managed through the control of variable expenditure alone.

Taking these factors into account and based on the confirmation received in relation to additional WRP costs, the Trust continues to forecast a balanced position for 2026/27. However, this position is not without risk. The Trust continues to face a demanding savings requirement, even before taking account of the residual £1.2m requirement.

The reported total pay variance against plan as at Month 05 is an underspend of **£0.751m**. This is measured against budgets set at the start of the financial year and includes the impact of the NHS Wales pay award.

The non-pay position at Month 05 is a reported overspend of **£1.009m**.

Income at Month 05 shows an overachievement of **£0.258m**.

2. Movement (Table A)

The Movement table has been completed in accordance with the new guidance, incorporating the submitted Annual Plan (AOP) data.

3. In Year Material Recurrent Analysis Impacting on Underlying Position (Table A1)

The table includes any in-year recurrent unplanned cost pressures in excess of £0.200m for Trusts. The only element currently above this threshold relates to the fuel cost pressure which, although reduced from Month 04, is still anticipated to be circa £0.500m. The other elements detailed below do not exceed £0.200m.

4. Risk (Table A2)

The risks reported in Table A2 are reviewed monthly. At present, there are no risks assessed as medium or high likelihood. However, as the financial year progresses, the Trust will continue to review both the likelihood and financial value of risks. Depending on the outcome of issues highlighted elsewhere in this return, higher risks may need to be reported in due course. The Trust Board and Finance and Performance Committee will continue to be kept fully apprised of these risks and any mitigating actions.

There are, however, a number of risks that need to be documented within the initial reported financial position. These are consistent with the risks described within the financial plan submitted as part of the IMTP.

Given the pressures the Trust is already experiencing in relation to the conflict in the Middle East, a risk has been included around further increases in energy prices. While the Shared Services forecast indicated a reduction for WAST, this was based on energy baskets already secured, which have increased again since Month 2. In addition,

the Trust has a number of sites outside this supply arrangement, including one high-usage site where costs are recharged by the landlord and are therefore more heavily impacted by rate increases. The Trust will continue to monitor this area as it moves into the higher-usage months.

In addition to the main risk around the Trust's ability to break even, and the cover being provided by Welsh Government, a further risk has been included in relation to the Welsh Risk Pool. This reflects the additional work being undertaken and the change in methodologies being applied by the courts. As this risk is currently unquantified, a line has been included in the table, but no value has been recorded against it.

As noted above, there are currently no individually assessed high financial risks. However, when this is considered alongside continuing significant service pressures and the likely need to balance financial risk against patient safety, quality and experience, it remains clear, as set out in the IMTP, that 2026/27 is likely to be another challenging financial year. This remains the case despite the initially reported Month 05 financial performance and the assumptions underpinning it.

Full consideration and management of these risks will remain a key focus for the Trust Board and its relevant committees, including the Finance and Quality Committees. The risk of non-delivery of statutory financial duties has also been increased, alongside a more detailed review of this risk within the Trust's Corporate Risk Register.

5. Monthly Profiles (Table B)

This table has now been completed in full, and in accordance with the guidance.

6. Expenditure Movement (Table B2)

Table B2 has been completed in accordance with the guidance. As requested, the table was restated at Month 2 to align with the MDS figures, showing the movements and amendments made after budgets were uploaded to the ledger. These adjustments are shown separately within the tables.

Following detailed work to review the movements in the plan, the key reasons for the movements are set out below:

Pay:

Additional spend associated with in-year funding / income above plan: this has been impacted by three key elements: additional costs associated with the correction of the Band 3 issues, extra-contractual requests (ECRs), and additional work associated with events.

Unplanned Cost Pressures: This mainly relates to overspends against overtime. Work was undertaken in month and £350k has been removed from the in-year recurrent impact and FYE recurring impact.

Non-Pay:

Additional spend associated with in-year funding / income above plan: As noted in prior months, this relates to additional services provided by private NEPTS providers, funded by Health Boards and associated with ECRs.

Unplanned Cost Pressures: As previously stated, this mainly relates to the increase in fuel costs. During the month, the Trust also reviewed other pressures affecting this element, some of which are linked to fuel, including rising taxi costs/private providers and increases in the Trust's travel and subsistence costs following the change in mileage rate from £0.45 per mile to £0.50 per mile. In addition, the Trust has experienced an increase in vehicle maintenance expenditure over recent months.

The unplanned cost pressure related to the non-pay element in last month was £1.112m not £1.462m as per the letter, but has slightly increased again in month to £1.179m as detailed above this is from the impact on the rise in Fuel prices, directly impacting the Trust on the forecourt but also impacting our suppliers and staff, the future year impact of this has been assessed as part of our financial modelling work for the 27-28 IMTP, this is currently modelling the impact of the fuel costs as c£0.5m (**Action Point 2.2**)

7. Pay and Agency/Locum (premium) Expenditure (Table B3)

Agency costs for Month 05 totalled £0.000m. The current percentage of agency costs against the total pay figure was 0.0%.

8. Saving Plans (Table C, C1, C2 & C3)

For Month 05 the Trust is reporting planned savings (including Income generation) of £3.368m and actual savings of £3.865m.

As can be seen from Tables C2 and C3, the Trust overachieved its savings target in Month 05 and is currently forecasting to overachieve its savings target of £7.8m by circa £0.372m.

9. Income/Expenditure Assumptions (Tables D and E1)

The income and expenditure assumptions are set out in Tables D, E and E1, which have been updated in accordance with the guidance.

The Trust can confirm the latest figures are included within the tables for Month 5 (**Action Point 4.1**)

Thank you for aligning the values to the description within the tables. (**Action Point 4.2**)

10. Aged Welsh NHS Debtors (Table L)

At Month 05, there were four invoices over 11 weeks old. Two have been paid in full following closure of the Month 05 position. For the remaining two invoices, with a total value of £0.003m, the Trust has actively chased for payment.

11. Cash flow (Table G)

The cash flow has been completed in accordance with the guidance. Details of 'Other' receipts and 'Other' payments, as shown within lines 10 and 22 of Table G, are included below.

Following movement in month the Trust can confirm that if the pay award funding is received in October it shouldn't need to submit a PDC request now until December 2026, however the Trust will ensure it keeps a close eye on the cashflow position over the coming months (**Action Point 4.3**).

	Apr £,000	May £,000	Jun £,000	Jul £,000	Aug £,000	Sep £,000	Oct £,000	Nov £,000	Dec £,000	Jan £,000	Feb £,000	Mar £,000	Total £,000
RECEIPTS													
other (specify in narrative)													
CRU Income	15	13	12	12	12	12	12	12	12	12	12	12	148
Other Non NHS Income	208	255	295	224	213	200	200	200	200	200	200	200	2,595
Pensions Agency	0	0	0	0	0	0	0	0	0	0	0	0	0
Vat Refund	245	0	576	0	1,121	341	300	300	300	300	300	299	4,082
Risk Pool Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	468	268	883	236	1,346	553	512	512	512	512	512	511	6,825
PAYMENTS													
Other items (specify in narrative)													
VAT Payment	0	0	0	0	0	0	0	0	0	0	0	0	0
Pensions / Retirements	130	0	0	129	0	0	0	0	0	0	0	0	259
Total	0	0	0	129	0	0	0	0	0	0	0	0	259

12. Public Sector Payment Compliance (Table H)

This table has been completed in accordance with the guidance. The Trust endeavours to ensure that NHS and non-NHS invoices are paid within target.

13. Capital (Tables I, J and K)

The capital tables have been completed for Month 05 in accordance with the guidance. In line with a request from the Welsh Government Capital team, the profiles have been updated to reflect the latest estimates based on local intelligence around scheme start dates. These profiles will continue to be updated as the Trust works through the coming months and tenders are returned.

14. Committee to receive Financial Monitoring Return

The Trust confirms that the financial information reported in the monitoring return is entirely consistent with financial information reported internally, including within Trust Board and committee papers.

The Month 05 Financial Monitoring Return will be presented to the Trust Board on 24th September 2026

In the absence of the Director of Finance or Chief Executive, governance arrangements for the formal sign-off of the monitoring return narrative will be delegated to their deputies. In exceptional circumstances, the return may be signed by a Senior Finance Manager and an Executive Director. This return has been signed by Edward Roberts Interim Assistant Director of Finance and Corporate Resources, and Emma Wood, Chief Executive.

15. Other Issues

There are no other matters of major significance to draw to your attention at this stage.

As requested, the accompanying email will include a Word version of this letter, excluding signatures.

If you would like to discuss any matter included in this monitoring return letter or attached tables, please do not hesitate to contact me.

Yours sincerely



Edward Roberts
Interim Assistant Director of Finance



Emma Wood
Chief Executive

Enc cc:
Mr C Dennis, Chairman
Non-Executive Directors Executive Directors