

# Innovation and Improvement Final Internal Audit Report

March 2022

Cwm Taf Morgannwg University Health Board



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University Health Board



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## Acknowledgement

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## Disclaimer notice - please note

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# Executive Summary

## Purpose

To provide assurance over the processes and procedures operating within the Programme Management Office (PMO) which is a key part of the Health Board’s innovation and improvement strategy.

## Overview

We have issued reasonable assurance on this area. The matters requiring management attention include:

- The lack of documented aims and objectives for the PMO.
- The inconsistent approach between projects to the management of risks, and the escalation of strategic risks to the Organisational Risk Register.
- The reporting of programme and project status updates provided to the Innovation and Improvement Board (IIB) which require further development.
- The lack of recording of the sign-off of Project Initiation Documents (PID’s) prior to the commencement of projects.

Further matters arising concerning the areas for refinement and further development have also been noted (see Appendix A).

## Report Classification



Reasonable

Some matters require management attention in control design or compliance.

**Low to moderate impact** on residual risk exposure until resolved

## Assurance summary<sup>i</sup>

Assurance objectives	Assurance
1 PMO Aims and Objectives	Reasonable
2 Prioritisation of projects	Substantial
3 Project Risks	Limited
4 Links to the Annual Plan / IMTP	Substantial
5 Benefits and Outcomes	Substantial
6 Impact on Services	Reasonable
7 Exit Strategies	Reasonable
8 Project Initiation Documents	Limited
9 Post Project Implementation Reviews	Reasonable
10 PMO Monitoring and Reporting	Reasonable

<sup>i</sup>The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

## Key Matters Arising

	Assurance Objective	Control Design or Operation	Recommendation Priority
1 PMO objectives	1	Design	Medium
2 Risk appetite	3	Operation	Medium
3 Risk management arrangements	3	Operation	Medium
4 Escalation of risks	3	Design	Medium
6 Impact on services delivered	6	Operation	Medium
7 Approval of PIDs	8	Operation	High
8 Sharing of lessons learned	9	Operation	Medium
9 PMO status update reports	10	Operation	Medium

## 1. Introduction

- 1.1 Our review of Innovation and Improvement was completed in line with the 2021/22 Internal Audit Plan for Cwm Taf Morgannwg University Health Board (the 'Health Board').
- 1.2 The Health Board has started to establish a more defined structure in relation to its innovation and improvement work. It recognises that all staff are capable of improving services, and that individually these small changes can potentially lead to big differences in improving the quality of clinical care, reducing risk, and encouraging efficiencies.
- 1.3 'Improvement Cwm Taf Morgannwg' (iCTM) was launched in November 2021, bringing together four key functions to work together to help achieve the Health Board's vision in relation to improvement. These are:
- Innovation;
  - Programme Management Office;
  - Quality Improvement; and
  - Value Based Health.
- 1.4 Due to the relative infancy of the Innovation, Quality Improvement, and Value Based Health functions, our review focused on the Programme Management Office (PMO). The PMO is described as *'providing a structured, patient focused and collaborative approach in the prioritisation, development and delivery of organisational critical projects and programmes ('projects') which underpin CTM's strategic objectives'*. Our review looked at the processes and procedures within the PMO.
- 1.5 The relevant lead for the review was the Executive Director of Nursing, Midwifery and Patient Care.
- 1.6 The potential risks considered in this review were as follows:
- Inefficient use of resources if investment is made in projects that have no clear benefits, or where the outcomes are not aligned to the Health Board's objective.
  - Future projects do not succeed where lessons are not learned from previous projects.

## 2. Detailed Audit Findings

**Objective 1: The remit and objectives of the PMO are defined. There is a clear description of the type of projects they will be involved in, and the role they will play in supporting those projects.**

- 2.1 The PMO function transferred from the Planning Directorate to the Innovation Directorate within Nursing, Midwifery and Patient Care in April 2021. To date the remit of the PMO has not been formally documented.
- 2.2 The current PMO team is small and is led by the Head of the PMO. We note that the personal development plan of the head of the department includes objectives, expected outcomes and measure of achievement for him which, while personal to him, also cover the remit of the department.
- 2.3 Although these have been shared within the team and assigned to individual staff as part of the PADR process, they have not been shared more widely with all stakeholders across the organisation. Furthermore, the role the PMO will play in supporting projects is not documented. **(Matter Arising 1)**

### Conclusion:

- 2.4 Whilst the remit and objectives of the PMO have been captured in the Head of the PMO's personal development plan, the wider remit of the PMO, including the role they will play in supporting projects has not been formally documented for circulation within the Health Board. We have provided reasonable assurance against this objective.

**Objective 2: A process is in place to allow the PMO to evaluate and determine which projects it will support to ensure a balanced portfolio of work.**

- 2.5 A project prioritisation methodology was presented to the Innovation & Improvement Board (IIB) by the Head of the PMO in September 2021, and this was duly adopted for use by the PMO.
- 2.6 The methodology uses a matrix to score each project against seven factors, on a scale from 0 to 3. The projects are ranked in order of their score, where the highest score is the highest priority. Each of the factors can be weighted if they are considered to be a higher priority for the project. This results in a priority score and a weighted score which can be evidenced on the project status update reports taken to the IIB.
- 2.7 Whilst we have seen the matrix being used to score projects, to date, there has been no requirement to use it to determine which projects the PMO will or will not support. However, as the awareness of the PMO expands across the Health Board and more projects are put forward for support, if resources remain the same, the scorings will have to be used to help determine where the PMO's resources can best be used.

**Conclusion:**

2.8 There is a process in place to allow the PMO to evaluate, score and rank all projects. This may require further clarification in the future if demand for PMO support outstrips their resource. We have provided substantial assurance for this objective.

**Objective 3: The selection and prioritisation process includes consideration of project risk and the Health Board's risk appetite towards innovative projects.**

2.9 We were informed by the Head of the PMO that risks will be considered for each project. However, the current series of projects supported by the PMO are all covid or recovery related, or existing projects the PMO have taken over responsibility for. As such, the Health Board's risk appetite in relation to these projects had not been considered by the PMO. Through our meetings with PMO staff, we established all current projects are deemed to be in line with the Health Board's current risk appetite rating of 'cautious'.

2.10 Going forward, as the Health Board recovers from the pandemic, more innovative and potentially riskier projects may be put forward for consideration that do not fit in with the Health Board's prevailing risk appetite of cautious. A separate risk appetite for projects should be considered by the Board to enable more innovative projects, offering potentially higher business rewards, to be approved. **(Matter Arising 2)**

2.11 The Project Initiation Document (PID) should set out the risk management arrangements for each programme or project, although the arrangements varied greatly between projects that we sampled. For example, some contained detailed information on risk, whereas others had no reference to risk in the PID. **(Matter Arising 3)**

2.12 For some of the larger projects that we reviewed, the PID stated that any risks identified would be appropriately escalated from the project board to the Health Board's organisational risk register. However, it was unclear how project risks would be assessed for possible escalation, and what criteria would be used for escalation to the organisational risk register. **(Matter Arising 4)**

**Conclusion:**

2.13 Whilst the programme or project prioritisation process included consideration of project risk, this did not take into consideration the Health Board's risk appetite. Risk management arrangements also varied greatly between projects, with some giving comprehensive risk management information. In addition, there was no documented escalation criteria for project risks. We have provided limited assurance for this objective.

**Objective 4: Projects supported by the PMO have clear links to the Health Board's Annual Plan / IMTP, with alignment to Health Board objectives and priorities set out.**

2.14 The Health Board's objectives and priorities are normally set out in their three-year Integrated Medium-Term Plan (IMTP). Due to the pandemic health organisations in

Wales have produced annual operational plans, with the latest one covering the year to March 2022.

2.15 Project aims and objectives are detailed within its PID. We reviewed a sample of current projects, which confirmed there were clear links between the projects and the Health Board's objectives and priorities as set out in its annual plan or previous IMTPs.

2.16 However, the standard PID does not require a link between projects and the Health Board's objectives and priorities to be documented. **(Matter Arising 5)**

#### Conclusion:

2.17 The projects that we reviewed had clear links to the Health Board's Annual Plan, although these were not explicitly recorded in the standard PID. We have provided substantial assurance for this objective.

**Objective 5: The potential benefits of projects are captured and considered when determining the projects to support and are then used to monitor outcomes and performance.**

2.18 The potential benefits of each programme or project are captured in the PID where they are typically recorded as strategic aims, objectives, targets or outputs. We saw evidence of the benefits then being used to monitor performance and outcomes through regular reporting to the respective Programme Board.

#### Conclusion:

2.19 The potential benefits of each project were being captured and used to monitor outcomes and performance. We have provided substantial assurance for this objective.

**Objective 6: The impact that the implementation of a project has on the quality of services delivered is assessed and monitored.**

2.20 We tested a sample of six projects to assess whether it could be demonstrated that the projects were having a positive impact on the quality of services being delivered.

2.21 The arrangements for assessing the impact on the quality of services varied between projects, with no arrangements set out for two projects that we tested.

2.22 We saw good practice within the Outpatient Transformation Programme, which had a benefits log. The log recorded the achievement of desired benefits and outcomes for the project as it went along. While a benefits realisation plan was referenced in two other PIDs within our sample, these did not appear to be in place at the time of our fieldwork. **(Matter Arising 6)**

#### Conclusion:

2.23 There was evidence that the impact on the quality of services being delivered is being assessed and monitored for some projects, but not all. We have provided reasonable assurance for this objective.

**Objective 7: Project plans include exit strategies to ensure projects can transfer to a 'business as usual' status and the removal of PMO support.**

- 2.24 We reviewed the project plans for a sample of six projects to determine whether they included an exit strategy and arrangements to return to 'business as usual'. We also discussed hand-over arrangements with several project managers.
- 2.25 The standard PID used for larger projects has a section which details how the project will be closed, which includes the hand-over of deliverables to the 'Health Board', though none were at this stage.
- 2.26 The standard PID used for small to medium sized projects does not include a project closure section (**Matter Arising 10**). However, we were informed that for smaller projects, exit strategies are developed during the lifespan of the project and are generally finalised in a project closure report prepared towards the end of each project. One of the three smaller projects that we sampled was close to closure and we saw evidence of a draft closure report.

**Conclusion:**

- 2.27 Although project closure arrangements were only documented for larger projects, our discussions with project managers confirmed that a closure report will be prepared for small to medium sized projects, but due to the stage of projects, we were only able to evidence one report. We have provided reasonable assurance for this objective.

**Objective 8: Projects have an appropriately approved Project Initiation Document (PID) in place ahead of progressing.**

- 2.28 Standard templates are used for drawing up the PID for each project; one for small to medium sized projects, and a more detailed one for larger projects. The PID is drawn up by the project manager, and this is reviewed and approved by the relevant programme management board.
- 2.29 We reviewed the PIDs for a sample of three large and three small to medium sized projects to confirm that the PIDs had been appropriately approved. Evidence of sign-off / approval was provided for one of the small to medium sized projects via the relevant programme board minutes. Approval by the programme board was not recorded on any of the large project PIDs that we reviewed. We also note that the small to medium sized PID did not include a section to record the PID status or sign-off details. (**Matter Arising 7**)

**Conclusion:**

- 2.30 Whilst we understand that PIDs are approved by the programme board prior to projects commencing, there was insufficient evidence to support this for the sample of projects we reviewed. As such we have provided limited assurance for this objective.

**Objective 9: Completed projects are subject to post-implementation review. Lessons learned are appropriately captured, shared and applied to subsequent projects.**

- 2.31 We reviewed the PID for a sample of projects to confirm if 'lessons learned' were documented throughout the lifespan of the project, and whether a post implementation review had been scheduled. We also met with project managers to discuss what 'lessons learnt' arrangements were in place for their projects.
- 2.32 Arrangements varied depending on the size of the project. Two of the projects outlined the requirement to capture lessons learnt within the PID. Three projects had evidence of lessons being captured, with one project manager maintaining a 'lessons learned' log for the duration of the project which will feed into the project closure report. However, all project managers stated that a project closure report, incorporating lessons learned would be completed in due course for each project as they close.
- 2.33 We understand that the completed closure reports, incorporating lessons learned, will be presented to the programme boards that they relate to, but they are not shared more widely amongst PMO staff. **(Matter Arising 8)**

**Conclusion:**

- 2.34 There was evidence that lessons learned from some projects are already being suitably captured, with others to be captured in closure reports as the project finishes. However, it appears that lessons are not being disseminated and shared more widely with PMO colleagues. We have provided reasonable assurance for this objective.

**Objective 10: Monitoring and reporting of the work of the PMO is undertaken.**

- 2.35 The work of the PMO is reported to each meeting of the IIB which meets bi-monthly. This includes a progress report of the status for all projects being managed by the PMO using a RAG rating. Other issues relating to the operation of the PMO are brought to the IIB for information, endorsement, or approval via a highlight report.
- 2.36 The PMO status update report has two RAG ratings: one for the project's progress; and one for the status of staff resources within the project. However, the RAG ratings are not defined. There is also no indication of how far behind a programme or project is when they are not 'green', or what actions are planned to get the programme or project back on track.
- 2.37 Whilst we note that the status reports are presented to the IIB with a verbal commentary, they should also be 'stand-alone' reports, that can be viewed and understood outside of the IIB meetings. **(Matter Arising 9)**
- 2.38 The PMO status update report also includes project staff resource levels. Many PMO staff are recruited on fixed term contracts for the duration of the project. This can lead to shortages when staff on these contracts leave for alternative employment before projects are completed, and recruitment difficulties finding replacements. A situation which is common to many sectors at present.

2.39 A report was submitted to the IIB in September 2021 by the Head of the PMO that examined potential opportunities to improve the way the organisation recruits and retains project staff, to provide greater resilience. Although the recommendations within the report were presented to both the IIB and the Board, the Health Board is yet to agree a way forward.

**Conclusion:**

2.40 Although the work of the PMO is monitored and reported, the information reported to the Innovation and Improvement Board could be improved and provide a greater level of detail. We have provided reasonable assurance for this objective.

## Appendix A: Management Action Plan

Matter Arising 1: PMO Objectives (Design)		Potential Impact
<p>We were informed by the Head of the PMO that whilst the remit of the PMO had not been formally documented, the objectives contained within his PADR were also the remit of the PMO. This consisted of six objectives, together with the expected outcome or measure of achievement. However, although these were shared with and assigned to staff within the PMO as part of the PADR process, they are personal to the Head of the PMO and are not shared more widely with stakeholders across the organisation.</p>		<p>The resources of the PMO are not efficiently or effectively utilised if the role they play in supporting projects is not clearly set out.</p>
Recommendation		Priority
<p>A more detailed remit specific to the PMO should be drawn up and shared internally with PMO staff and all stakeholders across the organisation. This could be in the format of a vision or mission statement and should include a clear description of the purpose and role of the PMO in supporting projects. The involvement of PMO staff in drawing up the remit may help ensure 'buy-in' from all staff and help ensure that PMO staff are working towards the same goals.</p>		<p><b>Medium</b></p>
Agreed Management Action	Target Date	Responsible Officer
<p>The ICTM Business plan was shared with and ratified by the Senior Leadership Group on the 16/02/2022. The business plan details the overall vision of ICTM and specifically highlights the purpose and role of the PMO and the three-year plan aligned to the organisation's strategic goals.</p>	<p>Implemented</p>	<p>Head of Change Hub / PMO</p>
<p>The business plan was presented to the PMO team by the Director of Innovation and Improvement and the Head of the PMO/Change Hub at the planned workshop on the 25/02/2022. The plans have already been discussed within previous team meetings and the workshop on the 25/02/2022 provided a further consultation</p>	<p>Implemented</p>	<p>Head of Change Hub / PMO</p>

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platform and consideration of the transformative changes required in order to fully develop the change hub function as described in the business plan.		
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<b>Matter Arising 2: Risk Appetite (Operation)</b>		<b>Potential Impact</b>
<p>Although risk reduction is considered for each project, project risk is not currently considered in relation to the Health Board's risk appetite as part of the project approval process. Many of the current projects are covid or recovery related or projects the PMO have taken over responsibility for. As these projects were either deemed essential or already underway, a project approval and prioritisation process that incorporated consideration of risk appetite was not carried out. However, when discussed during the audit all projects were considered to be in line with the Health Board's current overall risk appetite of 'cautious'.</p> <p>The Health Board's overall risk appetite is likely to remain 'cautious' in the long term. As such, consideration of the overall risk appetite may prevent more innovative and potentially riskier projects being considered as the Health Board recovers from the pandemic, unless a separate PMO risk appetite is agreed as has been done in relation to some other key areas for the Health Board.</p>		<p>Projects are approved that are not in line with the Health Board's risk appetite.</p> <p>The Health Board does not undertake any innovative projects due to the overall risk appetite and fails to undertake projects offering potentially higher business rewards.</p>
<b>Recommendation</b>		<b>Priority</b>
2.1 The Health Board's overall risk appetite should be taken into account when considering projects for approval.		<b>Medium</b>
2.2 The Health Board should consider setting a separate risk appetite for projects that would enable riskier but innovative projects offering higher business rewards to be undertaken.		<b>Medium</b>
<b>Agreed Management Action</b>	<b>Target Date</b>	<b>Responsible Officer</b>
2.1 To be considered as part of the Project Proposal report submitted to the IIB in line with the new corporate standards for assessing organisational risk appetite. The Health Board's Risk Appetite Statement is currently being reviewed at a Board Development Session in February 2022, the revised approach aims to ensure that the Health Board's risk management framework harnesses the activities that	15/04/2022	Head of Change Hub / PMO

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<p>identify and manage uncertainty, allows it to take opportunities and to take managed risks not simply to avoid them, and systematically anticipates and prepares successful responses. The Risk Appetite Statement once approved by the Board will be incorporated into Project Planning.</p>		
<p>2.2 The revised Board Risk Appetite incorporates innovation, affording associated activity such as 'technological advances' as an open risk appetite. The various levels of appetite will be applied to projects according to the nature of the project desired outcomes.</p>	<p>15/04/2022</p>	<p>Head of Change Hub / PMO</p>

Matter Arising 3: Risk Management Arrangements (Operation)	Potential Impact
<p>The risk management arrangements for individual projects are set out within the project PIDs. Our review of a sample of PIDs for six projects identified inconsistencies in the approach to managing risk between each project as follows:</p> <ul style="list-style-type: none"> <li>• Urgent Care Improvement Programme - the PID contained a standard risk register which assigned an owner to each risk, scored each risk against probability and impact and included mitigating actions for each risk. The risk register monitoring and reporting arrangements were also detailed in the PID.</li> <li>• Covid Vaccination Programme - the PID outlined the key risks and some mitigating actions and made reference to a more detailed risk log including owners and scores which would be managed within the programme team, although the risk reporting, monitoring and escalation arrangements were not set out within the PID.</li> <li>• Immunology Project - the key risks were recorded within the PID, but these were bullet pointed and very brief headings with no detail of the actual risk, risk score, risk owner, mitigating actions, or how risks would be monitored, reported on or escalated if necessary, and there was no reference to a risk register or risk log.</li> <li>• Outpatient Transformation Programme - there was no reference to risk or risk management arrangements in the PID.</li> <li>• Prince Charles Hospital Improvement Programme - the PID for the included the use of a risk log for the identification, classification, evaluation and creation of risk response plans. The PID also included a programme risk management plan which was the second part of their 'Three Lines of Defence Model'.</li> <li>• Welsh Patient Referral System (WPRS) Project - the PID included five key risks that had been assessed as either High or Medium, but no details were included of how these risks were to be monitored or managed.</li> </ul>	<p>Risks that may adversely impact on the success of a programme or project are not identified, assessed and effectively managed.</p>

Recommendation		Priority
A more consistent approach to the recording of the management of risks should be adopted for all projects.		<b>Medium</b>
Agreed Management Action	Target Date	Responsible Officer
Agreed. We will finalise and implement a standardised framework which aligns with CTM UHB's standard risk management approach and structure across all the projects and programmes the PMO supports.	15/04/2022	Head of Change Hub / PMO

Matter Arising 4: Criteria for Escalation of Risks (Design)		Potential Impact
<p>The PID sets out the risk management arrangements for each project, which includes the escalation of project risks identified on the project risk register to the Health Board's organisational risk register where necessary. There were however no documented criteria to determine which risks should be escalated. Given the number of large projects running concurrently, and the potentially high volume of risks on each project risk register, it was unclear how project risks would be assessed for possible escalation, and what criteria would be used for escalation to the HB's Corporate Risk Register.</p> <p>Our review of the Unscheduled Care Improvement Programme Risk Register dated 09/11/21 showed that nine of the 17 open risks were classified as 'Critical', but we could not determine if these had been escalated for possible inclusion on the organisational risk register.</p>		<p>Significant risks that may have an adverse impact on the achievement of the Health Boards strategic aims and objectives are not escalated for consideration of inclusion in the Corporate Risk Register.</p>
Recommendation		Priority
<p>A criterion for the escalation of risks for inclusion in the Health Board's Organisational Risk Register should be drawn up and appropriately approved.</p>		<p><b>Medium</b></p>
Agreed Management Action	Target Date	Responsible Officer
<p>The PMO will adopt the Service to Board Escalation process outlined in the Health Boards Risk Management Procedure for all projects and programmes.</p>	<p>15/04/2022</p>	<p>Head of Change Hub / PMO</p>

Matter Arising 5: Link to Strategic Objectives (Design)		Potential Impact
<p>We reviewed a sample of six PIDs and through the narrative contained in them the, we could identify links to the Health Board’s Annual Plan and alignment of the project to the Health Board’s strategic objectives. However, the links to specific CTM priorities and strategic objectives were not explicitly recorded on the PIDs.</p> <p>The iCTM Directorate has recently developed a three-year business plan to ensure alignment of their work with the Health Board’s priorities and strategic objectives.</p>		<p>Projects are approved that do not contribute to the achievement of the Health Board’s strategic aims and objectives.</p>
Recommendation		Priority
<p>The standard PID should record the link between the project and the organisation’s strategic aims and objectives.</p>		<p><b>Low</b></p>
Agreed Management Action	Target Date	Responsible Officer
<p>Agreed. All PIDs will include a direct link between the project and strategic objectives.</p>	<p>05/04/2022</p>	<p>Head of Change Hub / PMO</p>

Matter Arising 6: Impact on Services Delivered (Operation)		Potential Impact
<p>We tested a sample of six projects to assess whether there were arrangements in place to demonstrate that the projects were having a positive impact on the quality of services being delivered. Our testing identified:</p> <ul style="list-style-type: none"> <li>• A benefits log, recording the achievement of desired benefits and outcomes for the project as it went along, was maintained for the Outpatient Transformation Programme.</li> <li>• Reference was made to a benefits realisation plan in two of the PIDs, but we did not see these in place.</li> <li>• An assessment of the impact on the quality of services delivered would not be relevant for one of the projects (Covid Vaccination Programme).</li> <li>• For two projects there was no evidence that an assessment was taking place.</li> </ul>		<p>The PMO is not able to demonstrate that projects have had a positive impact on services being delivered by the Health Board.</p>
Recommendation		Priority
<p>There was evidence that the impact on the quality of services being delivered is being assessed and monitored for some projects, but not all. The PMO should consider the use of a Benefits Tracker, for all projects, as used on the Outpatient Transformation Programme.</p>		<p><b>Medium</b></p>
Agreed Management Action	Target Date	Responsible Officer
<p>Agreed. Appropriate benefits realisation trackers will be developed and implemented for all projects and programmes. Measures will be identified in the PID and developed throughout the project, the closure process and benefits detailed in the post implementation reviews.</p>	<p>01/06/2022</p>	<p>Head of Change Hub / PMO</p>

Matter Arising 7: Approval of PIDs (Operation)		Potential Impact
<p>There are templates in place that are used for drawing up the PID for each project; one for small to medium sized projects and a more detailed one for larger projects. The PID is normally drawn up by the project manager and is reviewed and approved by the relevant project / programme management board prior to commencement of the project.</p> <p>The large project PID has a section to record the preparer, PID status and version, and the date it was signed-off / approved. This information is not required on the small to medium project PID.</p> <p>We tested six projects for evidence that the PIDs had been appropriately approved. Three were classed as large projects and three were small - medium sized projects. The sign-off / approval of the PID was not recorded on any of the three large project PIDs reviewed, with one still marked as draft.</p> <p>Evidence of sign-off / approval was only provided for one of the three small to medium sized projects via the relevant programme board minutes.</p>		<p>Projects that have inappropriate arrangements are progressed without approval.</p>
Recommendation		Priority
<p>7.1) The standard small - medium sized PID template should be amended to incorporate a section to record sign-off / approval.</p>		<p><b>Medium</b></p>
<p>7.2) Project Managers should ensure that PIDs are updated with their approval status as soon as they are approved / signed-off.</p>		<p><b>High</b></p>
Agreed Management Action	Target Date	Responsible Officer
<p>7.1) Agreed. The document will be amended to include appropriate configuration management and approval status.</p>	<p>10/03/2022</p>	<p>Head of Change Hub / PMO</p>

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7.2) Agreed. PIDs will be amended to reflect 7.1 and will be covered as part of the agenda for the team workshop on 25 <sup>th</sup> Feb 2022 where the new process will be communicated. Adherence will be mandatory.	10/03/2022	Head of Change Hub / PMO
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Matter Arising 8: Sharing of Lessons Learned (Operation)		Potential Impact
<p>The PID for each project selected for testing was reviewed to ascertain whether 'lessons learned' were to be documented throughout the lifespan of the project and whether a post implementation review had been scheduled. We identified that two of the six PIDs referred to a specific 'lessons learnt' report or ensuring lessons learnt were captured in the closure report. We also met with project managers to discuss what 'lessons learnt' arrangements were in place for their projects.</p> <p>Arrangements varied depending on the size of the project, with one project manager maintaining a 'lessons learned' log for the duration of the project which feeds into the project closure report. We also saw evidence of lessons be captured for two other projects. However, all project managers stated that a project closure report would be completed for each project that would incorporate lessons learned.</p> <p>Whilst there was evidence that lessons learned are already being captured, or will be captured as part of closure reports, we understand that those completed closure reports incorporating lessons learned are only being presented to the programme board that they relate to. They are not being shared more widely amongst PMO staff in order for others to benefit from the lessons of that project.</p>		<p>Errors are repeated in future projects. Good practices identified are not implemented in future projects.</p>
Recommendation		Priority
<p>Lessons learned from completed projects should be more widely shared and disseminated amongst PMO staff.</p>		<p><b>Medium</b></p>
Agreed Management Action	Target Date	Responsible Officer
<p>Agreed. A paper will be taken to the IIB detailing the incorporation of lessons learnt within the standard project framework and suggested mechanisms for accessing the learning for the PMO and the wider health board including the Community of Practice</p>	<p>25/03/2022</p>	<p>Head of Change Hub / PMO</p>






<b>Matter Arising 9: PMO Status Update Reports (Operation)</b>		<b>Potential Impact</b>
<p>The work of the PMO is reported to the IIB which meets bi-monthly. This includes a status update progress report for all projects being managed by the PMO, that incorporates two RAG ratings for each project: one for progress status; and one for staff resources status.</p> <p>However, the RAG ratings are not defined. There is also no indication of how far behind a programme or project is where it is not 'green', the direction of travel, or what actions are planned to get the programme or project back on track. We acknowledge this additional information may be provided verbally by the Head of the PMO during the meetings, but it is not captured in the report.</p>		<p>The status of each programme / project is not fully reported to the Innovation and Improvement Board.</p>
<b>Recommendation</b>		<b>Priority</b>
<p>The PMO status update report provided to the IIB should be a comprehensive, stand-alone document that provides a full update of the status of each programme and project at a given point in time. The report should be further developed to incorporate additional information including an indication of how far behind a programme or project is where it is not 'green', the direction of travel, and what actions are planned to get the programme / project back on track.</p>		<p><b>Medium</b></p>
<b>Agreed Management Action</b>	<b>Target Date</b>	<b>Responsible Officer</b>
<p>Agreed. Highlight reports will be developed for each of the key programmes / projects on the IIB portfolio which is supported by the PMO / Change Hub and incorporated into a holistic status update report.</p>	<p>15/05/2022</p>	<p>Head of Change Hub / PMO</p>

Matter Arising 10: Standard PID for small and medium projects (Design)		Potential Impact
<p>The standard PID used for larger projects has a section which details how the project will be closed, which includes the hand-over of deliverables to the 'Health Board'. However, the standard PID used for small to medium sized projects does not include a project closure section.</p> <p>While we saw a draft closure report for one of the smaller projects that we looked at and understand that this approach would be generally be followed for such projects, it is not formally part of the process.</p>		<p>Opportunities to maximise the outcome for smaller projects are missed as projects are not closed down using a standard approach.</p>
Recommendation		Priority
<p>Management should consider updating the standard PID document for small and medium projects to include clear expectations with regards to project closure.</p>		<b>Low</b>
Agreed Management Action	Target Date	Responsible Officer
<p>Project closure arrangements will be incorporated into the Small / Medium PID.</p> <p>The Project Closure will be agreed at Programme Board and the Programme Manager will be responsible for its conduct. Project Closure will include handing over the deliverables to CTMUHB, realisation of benefits assessment, how improvements will be sustained in a 'business as usual' environment, releasing staff and equipment, and informing stakeholders of the closure of the project. A detailed report will be prepared by the Programme Manager and include lessons learnt through the life cycle of the programme.</p>	01/06/2022	Head of Change Hub / PMO

## Appendix B: Assurance opinion and action plan risk rating

### Audit Assurance Ratings

We define the following levels of assurance that governance, risk management and internal control within the area under review are suitable designed and applied effectively:

	<b>Substantial assurance</b>	Few matters require attention and are compliance or advisory in nature. <b>Low impact</b> on residual risk exposure.
	<b>Reasonable assurance</b>	Some matters require management attention in control design or compliance. <b>Low to moderate impact</b> on residual risk exposure until resolved.
	<b>Limited assurance</b>	More significant matters require management attention. <b>Moderate impact</b> on residual risk exposure until resolved.
	<b>No assurance</b>	Action is required to address the whole control framework in this area. <b>High impact</b> on residual risk exposure until resolved.
	<b>Assurance not applicable</b>	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

### Prioritisation of Recommendations

We categorise our recommendations according to their level of priority as follows:

Priority level	Explanation	Management action
<b>High</b>	Poor system design OR widespread non-compliance. Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in system design OR limited non-compliance. Some risk to achievement of a system objective.	Within one month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. Generally issues of good practice for management consideration.	Within three months*

\* Unless a more appropriate timescale is identified/agreed at the assignment.



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