

PWYLLGOR DATBLYGU STRATEGOL A CHYFLENWI GWEITHREDOL STRATEGIC DEVELOPMENT AND OPERATIONAL DELIVERY COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	24 February 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Capital Governance Review – Management Response and Action Plan
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies – Director of Strategic Development & Operational Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Paul Williams – Assistant Director of Strategic Planning

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

This paper has been prepared to provide the Strategic Development & Operational Delivery Committee (SDODC) with an update on the Management Response and Action Plan prepared as a consequence of the Internal Audit Capital Governance Review requested by the Audit & Risk Assurance Committee (ARAC) and the Board.

The Management Response and Action Plan, having been the subject of report and discussion at ARAC, is now considered to be appropriate for ongoing monitoring and assurance by SDODC.

Cefndir / Background

Following discussions at ARAC on 10th June 2021, the Committee requested that an internal Capital Governance Review be undertaken, and for a report be prepared for the October 2021 meeting.

The Terms of Reference for this review were agreed at the ARAC meeting on the 24th August 2021. The purpose of the review was:

‘To provide assurance that appropriate Capital Governance processes are in place to ensure that the organisation learns the lessons from past and current projects to improve governance, organisational processes and the delivery of future projects.’

Appendix 1 provides the context of all the major capital projects delivered by Hywel Dda University Health Board (HDdUHB) in the period between 2014/15 and 2020/21.

At its meeting in October 2021, ARAC requested a Management Response to the recommendations which was provided and considered at the December 2021 meeting. Sufficient assurance was in place to enable the recommendation that the ongoing monitoring and assurance would appropriately sit under SDODC.

The work completed on the Capital Governance review also informed the report to the January 2022 Public Board meeting on the *Women & Children Phase II Project and Capital Governance Review Update*.

Asesiad / Assessment

The Capital Governance Review made 12 recommendations, with an Action Plan and Management Response submitted to ARAC in December 2021. The recommendations were themed into the following areas:

- Standardisation of documentation and framework for capital projects
- Review of contract documentation prior to HDdUHB sign off (direct consequence of lessons learnt from Women & Children's Project)
- Continuation of lessons learnt and Post Project Evaluation reviews
- Review of Capital, Estates and Information Management & Technology Sub-Committee (CEIM&T) terms of reference and duties
- Capacity of existing teams to deliver HDdUHB's ambitious capital agenda
- Project Director appointment and training
- Prioritisation of capital schemes for HDdUHB Infrastructure Enabling Plan
- Review of internal scrutiny process for business cases

The updated Management Response and Action Plan together with the progress being made against the actions is documented in Appendix 2 of this report.

Argymhelliad / Recommendation

That the Strategic Development & Operational Delivery Committee take assurance from this report that progress is being made to deliver against the actions identified in the Management Response to the Capital Governance Review.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.10 Provide assurance to the Board that arrangements for Capital, Estates and IM&T are robust.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Risk 1196 - not be able to provide safe, sustainable, accessible and kind services. This is caused by insufficient investment to ensure we have appropriate facilities, medical equipment and digital infrastructure of an appropriate standard. Risk Score 16
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	5. Safe sustainable, accessible and kind care

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	8. Transform our communities through collaboration with people, communities and partners
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Included within the report
Rhestr Termau: Glossary of Terms:	Not Applicable
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Datblygu Strategol a Chyflenwi Gweithredol: Parties / Committees consulted prior to Strategic Development and Operational Delivery Committee:	CEIM&TSC and Sustainable Resources Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Capital values noted within the report. Included within individual business cases and Capital prioritisation process.
Ansawdd / Gofal Claf: Quality / Patient Care:	Included within individual business cases and Capital prioritisation process.
Gweithlu: Workforce:	Included within individual business cases and Capital prioritisation process.
Risg: Risk:	Risk assessment process is integral to the capital prioritisation process and the management of capital planning within HDdUHB also included within individual business cases and Capital prioritisation process.
Cyfreithiol: Legal:	Included within individual business cases and Capital prioritisation process.

Enw Da: Reputational:	Included within individual business cases and Capital prioritisation process.
Gyfrinachedd: Privacy:	Included within individual business cases and Capital prioritisation process.
Cydraddoldeb: Equality:	Equality assessment are included within individual business cases and Capital prioritisation process when required

APPENDIX 1

MAJOR CAPITAL PROJECTS UNDERTAKEN BETWEEN 2014/15 AND 2020/21

Scheme	Site	2014/15 to 2020/21	Post Project Evaluation (PPE)	On Time	On budget	Comment
		£m				
Front of House	BGH	11.606	PPE on the new build 2015/16 PPE on remainder of scheme early 2022	Yes	Yes	On time and budget based on the extended programme which included main theatres refurbishments and evacuation lift.
Pathology Labs	PPH/WGH	3.954	No	Yes	Yes	
Cardigan ICC	Cardigan	21.666	Nov-21	Yes	Yes	
Women & Children's Phase 1	GGH	3.858	Yes	Yes	No	
Mynydd Mawr	PPH	4.466	No	Yes	Yes	
MRI GGH	GGH	1.572	No	Yes	Yes	
Unscheduled care	PPH	1.428	No	Yes	Yes	
Ward Refurbishment	GGH	0.554	No	Yes	Yes	
X-ray room	PPH	0.935	No	Yes	Yes	
Pharmacy Robots	Multiple	1.756	No	Yes	Yes	
Bronglais Fire Escape Elevator	BGH	2.728	Mar-22	Yes	Yes	
Anti Ligature works	Multiple	1.283	No	Yes	Yes	
Aberaeron ICC	AICC	2.271	Mar-22	Yes	Yes	
Ward 9 & 10 Refurbishment	WGH	3.221	Sep-21	Yes	No	
Fishguard	Fishguard	0.627	No	Yes	Yes	
MRI BGH	BGH	4.430	May-22	Yes	Yes	
Cross Hands ICC	Cross Hands	0.907	Business Case development stage PPE will be undertaken 12 months following scheme completion	N/A	N/A	
Imaging equipment	Multiple	1.333	No	Yes	Yes	
MRI WGH	WGH	0.814	Jul-22	Yes	No	Cost of scheme exceeded WG allocation but was delivered within the revised agreed budget set by UHB
WGH Fire Precaution work	WGH	0.462	PPE will be undertaken 12 months following scheme completion	N/A	N/A	
Women & Children's Phase 2	GGH	24.931	Lessons Learnt undertaken. PPE will be undertaken 12 months following scheme completion	No	No	
TOTAL		94.802				

APPENDIX 2

Action Plan – Updated February 2022					
Action	Management Response	Responsibility	Completion	Progress/ Comment	
1	Develop a Capital Project Management Framework	Work in progress	Capital Planning Team	March 2022	Completion date moved to align with appropriate CEIM&TSC date in March 2022. Product will be presented to CEIM&TSC in March 2022
2	Develop Standardised Project Governance Documentation including a checklist for sign off and assurance	Work in progress	Capital Planning Team	March 2022	Completion moved to align with appropriate CEIM&TSC date in March 2022. On track
3	Sign off to the contract type and level of damages included at internal business case approval	Complete	Estates & Capital Planning Team	Already actioned	Check if there is anything further on smaller schemes in data pack
4	Continuation of Post Project Evaluation and Lessons Learnt Evaluation	Programme of work agreed	Capital Planning Team	Already actioned	
5	Develop a Lessons Learnt Log	Work in progress	Capital Planning Team	Completed	
6	Terms of Reference for CEIM&TSC to be reviewed	For November CEIM&T	Capital Planning Team	February 2022	Completion date moved to align with Sub-Committee TOR

					agenda item at February 2022 SDODC.
7	Setting up of an internal scrutiny process for business cases prior to them being finalised and presented to CEIM&T for approval	Develop a proposal and draft terms of reference for Executive Team discussion. This will cover how the process will be resourced and ensure upfront scrutiny and approval prior to CEIM&T submission	Capital Planning Team	March 2022	In progress for discussion by Executive Team by March 2022.
8	Consideration be given if CEIM&T and the Groups that sit underneath it should have delegated approval limit	Review the current capital approval framework documentation and delegated capital approval limits with the Governance Team. SBAR to May CEIM&T	Capital Planning Team with input from the Governance Team	May 2022	In progress
9	The current and future capacity of the existing core teams who support the capital process to deliver HDdUHB's ambitious capital agenda	As part of the A Healthier Mid and West Wales PBC development a resource gap analysis is being undertaken. SBAR to be reported to Executive Team containing gap analysis for consideration	Capital Planning Team Director of Strategic Development &	Complete February 2022	Gap Analysis completed and reported to Programme Group

		<p>This gap analysis will inform our discussions with Welsh Government to enable us to take the PBC onto OBC development.</p> <p>The Director of Estates is also undertaking a similar exercise as part of the progression of the Major Infrastructure PBC.</p>	<p>Operational Planning</p> <p>Director of Estates</p>	<p>Completed</p>	<p>Exercise has been completed and referred to Director of Finance and Director of Operations.</p>
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