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## Hywel Dda University Health Board's A Healthier Mid and West Wales Programme Business Case

### Appendix 20A: Gateway Performance Assessment Review





## **Gateway™ Programme Assessment Review (PAR)**

<b>Programme Title:</b>	<b>A Healthier Mid and West Wales</b>
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<b>Review Team Leader:</b>	Liz McLoughlin
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<b>Previous Review:</b>	N/A
<b>Security Classification:</b>	Official

**This assurance review was arranged and managed by:**

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# 1.0 Delivery Confidence Assessment (DCA)

<b>Delivery Confidence Assessment:</b>	Amber
<p>This review has tested the readiness of the programme to deliver, in November this year, a Programme Business Case (PBC) that will secure the agreement of the Health Board and Welsh Government for the programme to move to the OBC stage. As asked in the terms of reference, the Review Team has reviewed the current draft elements of the PBC as well as the governance and management of the programme, the Land selection process and the activity planned for OBC. We did not, however, feel that the documentation and range of interviews allowed us to make informed comment on the environmental aspects although documentation and interviews made clear the Health Board’s commitment to decarbonisation which will be a key element of the design stage.</p> <p>This is a major and complex programme. A number of interviewees described it as a once in a lifetime opportunity in a part of Wales that has not in the past attracted significant investment. Although the current stage of the programme is concentrated on the production of the PBC, the next stages will necessarily involve a major step up of activity and augmentation of the team.</p> <p>The programme has strong and well regarded leadership and committed and enthusiastic team members. The governance is well supported and the programme has a clear vision, mandate and terms of reference. The strategic ambition of the programme is compelling. The engagement and communication effort leading to the publication of the strategy in 2018, and since, has been extraordinary and is an example of best practice. The nature and extent of that process and the collaborative effort with the public and stakeholders has meant that the solution identified in the strategy is not seriously questioned. The programme team has been keen to learn from the experience of others and the lessons are reflected in the programme approach.</p> <p>The capital build is integral to the transformation agenda set out in the health Board’s 2018 strategy document but it will not in itself achieve the goals of transformation – the creation of an integrated, patient centric, community based and social model of health care.</p> <p>The PBC is still in draft. It is important, particularly if there are perceived to be timescale pressures, that the PBC is pitched in the right way and answers the right- or necessary- questions. It is clear that those involved in pulling it together feel that they are meeting the remit of the Welsh Government scrutineers with whom they are closely engaged. The Review Team was less clear. It seemed to us that the position reached in 2018 should be the starting point and that the workings behind that decision did not need to be repeated. More important is to show that the solution and approach agreed at the end of 2018 remains robust against changes and developments since. In our view, the thrust of the PBC,</p>	

therefore, should be to confirm the continued relevance and value of the chosen option rather than restating the strategic case or the options evaluation.

The PBC usefully sets the capital investment in the context of the wider transformation agenda. But the Health Board does not have to (and cannot afford to) wait for the new hospital before embarking on transformation. The PBC makes references to some of the current activity – with the estate and workforce – that, in advance of the new hospital, are moving health care delivery in the transformation direction ( while at the same time mitigating the risks of delay in implementation of the capital build programme). The digital contribution will be critical and will need - as is intended - to have prominence in the PBC.

The Review Team felt that a concise narrative around the strands of activity that are moving the Health Board towards transformation would provide a level of confidence in the Health Board's embracing of the transformation challenge and could inform communications over the next phase.

Our report makes a number of references to the balance between what needs to be in place for PBC approval and what needs to be done in the OBC stage (including developing the financial and commercial case, relaunching the modelling work and developing the clinical pathways, developing the workforce strategy and reaching a decision on the land). It would be helpful for the PBC to set out a high level view of activity over the current and next phase.

The Review Team has two principal concerns and these drive our RAG rating. We mention above our concern that the expectations of the team and of the Welsh Government of what the PBC needs to do may not be aligned. Given the work still to be done and the timescale for completion of the PBC the team has to get the PBC right first time. There is a risk, therefore, that meeting the deadline could be at a cost to the quality and robustness of the case and consequently lead to delay in securing approval to the next stage. We also have a concern about the predicated timescale for the subsequent OBC and FBC. There is a considerable amount of work to be done on the OBCs which will require a significant step-up of activity and augmentation of resources. We saw the effect of the problems with the modelling work over the last 12 months and the delay that resulted. It will be important that the drivers for the timescales and the schedule of activity are subject to rigorous analysis as the programme moves into the next phase.

In summary, the range of activity within the programme means that it is well set up to deliver a convincing PBC (once there is shared understanding of what is needed) and the OBCs thereafter. But there will need to be a thorough analysis of the balance of risk and opportunity around the presently proposed timescales.

## 1.1 Delivery Confidence Assessment

The Delivery Confidence assessment RAG status should use the definitions below:

<u>RAG</u>	<u>Criteria Description</u>
<b>Green</b>	Successful delivery of the programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery.
<b>Amber/Green</b>	Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
<b>Amber</b>	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.
<b>Amber/Red</b>	Successful delivery of the programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and establish whether resolution is feasible.
<b>Red</b>	Successful delivery of the programme appears to be unachievable. There are major issues which, at this stage, do not appear to be manageable or resolvable. The programme may need re-baselining and/or overall viability re-assessed.

## 2.0 Summary of Report Recommendations

The Review Team makes the following recommendations which are prioritised using the definitions below:

***[N.B. When assigning a classification to a recommendation, reviewers will need to consult the “Guide to the Classification of Recommendations” where they will find a list of the classifications and their meanings.]***

<b>Ref. No.</b>	<b>Recommendation</b>	<b>Urgency (C/E/R)</b>	<b>Target date for completion</b>	<b>Classification (Please enter the categorisation number from the list provided here)</b>
1.	The SRO and team might review the draft Strategic and Economic Cases to ensure that they confirm the earlier work but focus on the robustness of that solution against the here and now.	C- Critical		8.3
2.	PBC should make clear that this is not a stand-alone capital project but has dependencies with developments in the community.	R - Recommended	Before PBC submission	8.2
3.	The communications and engagement plan in development should identify the additional resource required now and subsequently for	E- Essential	By the beginning of 2022	3.6

Ref. No.	Recommendation	Urgency (C/E/R)	Target date for completion	Classification (Please enter the categorisation number from the list provided here)
	the more targeted approach to the next stage.			
4.	The Review Team recommends that processes are mandated and documented to ensure continuity of joined up working and mitigate the risks around the communications and engagement teams being in separate directorates.	R - Recommended	By the end of 2021	3.6
5.	The terms of reference, mandate, governance and roles and responsibilities should be reviewed before the next stage.	E- Essential	After approval of PBC	1.1
6.	The SRO should ensure that there is gap analysis and assessment of the resource requirement and that a business case for resources is produced before the start of the next phase.	C- Critical		10.2

**Critical (Do Now)** – To increase the likelihood of a successful outcome it is of the greatest importance that the programme should take action immediately

**Essential (Do By)** – To increase the likelihood of a successful outcome the programme/ project should take action in the near future.

**Recommended** – The programme should benefit from the uptake of this recommendation.

### 3. Blockers to progress

Ref No	Blocker	Describe specific nature of blocker	Consequence if not resolved
1	Approval	Different understanding of what Welsh Government is looking for the PBC to do	Delay in decision making and additional effort
2	Clinical capacity	Inability of the HB to resource the necessary clinical engagement in the OBC work while at the same time maintaining operational delivery	Delay or sub-optimal clinical input to design

## **4.0 Comments from the SRO**

This report provides the UHB with an opportunity to reflect on the appropriate next steps required to deliver successfully our PBC to Welsh Government and the areas we need to consider as we move from the PBC through to the OBC stage of implementing our Health and Care Strategy.

The recommendations made in this report will form part of the Team's work plan over the next few months to ensure a smooth transition from PBC delivery through to OBC preparation.

I would like to thank the Gateway Review Team for your insights and positive feedback.

## **5.0 Background**

### **The aims of the programme:**

In 2018 the Health Board published its long-term vision and strategy for the delivery of health and care service in the region. The strategy, 'A Healthier Mid and West Wales; Our future generations living well', reflects the principles and goals set out by Welsh Government, in particular in the 'Well-being of Future Generations (Wales) Act, 2015'.

Since 2016 the Health Board has been engaged in extensive consultation and engagement on the transformation of health and care services. What is proposed is a whole system transformation, moving to an integrated, community based model avoiding unnecessary hospital admissions and reducing the length of hospital stay. The objective is to provide a connected and mutually supportive environment for patients, reducing inequalities within the region, and encouraging a collaborative approach with the public bringing a collective sense of ownership of the health and care assets.

The vision of the programme is for 'a Mid and West Wales where individuals, communities and the environments they live, play and work in are adaptive, connected and mutually supportive. This means people are resilient and resourceful and enabled to live joyful, healthy and purposeful lives with a strong sense of belonging.'

The programme is aligned to the Health Board's strategic and planning objectives, in particular to objective 5, Safe, sustainable, accessible and kind care.

### **The driving force for the programme:**

The Health Board is facing a number of health and care related challenges posed by the demographics of an ageing and frail population, increasing demands on the workforce and the constraints of the existing elderly estate. Covid experience has added to those challenges but it has also demonstrated the opportunities offered by digital working to both patients and the workforce. Financial pressures, environmental objectives and the opportunities offered by digitisation reinforce the need for radical change in the way health care is designed and delivered.

### **The procurement/delivery status:**

The programme is developing a Programme Business Case (PBC) for submission to Welsh Government. The purpose of the PBC is to demonstrate the case for change and to set out the preferred direction of travel for the capital estate, technology and care model. The PBC will need to demonstrate that the emerging solution supports the Health Board's objectives for transformation, has been developed with wide consultation and engagement and has been and will be subject to rigorous testing and assurance.

It is envisaged that a Full Business Case (FBC) will be submitted by March 2024 (currently under review) with an Outline Business Case (OBC) two years earlier.

### **Current position regarding previous assurance reviews:**

This is the first review of this programme.

## **6.0 Scope of the Review**

This review is at an early stage of the implementation programme. The Review Team has been asked to look at the current arrangements for the finalisation of the PBC and to test their robustness for the future development of the OBC. We have also been asked to review the land selection process.

**Annex A** gives the terms of reference for the review.

**Annex B** lists the people who were interviewed during the review.

## **7.0 Acknowledgement**

The Review Team is grateful to the SRO and his team, and to all those interviewed, for their open and positive approach to this review. It was clear that the programme team had an open and collaborative culture and that they sought and valued robust assurance and were committed to learning from it.

We should also like to thank Eldeg Rosser and Jackie Rees, for the excellent support we had before and during the review.

## **8.0 Review Team findings and recommendations**

### **8.1: Business case**

8.1.1 The programme is working on a Programme Business Case (PBC) to be submitted to the Board and to the Welsh Government in November this year. The PBC will need to demonstrate the case for change and establish sufficient confidence in the proposed way forward to secure agreement to the subsequent development of a more detailed Outline Business Case (OBC). The programme team is keeping Welsh Government closely in touch with the development of the case and has benefitted from Welsh Government advice.

8.1.2 The case for change is outlined above. Early engagement before the publication of the 2018 strategy provided clear evidence of the desire for healthcare to be provided differently through an enhanced and integrated community model with reduced unnecessary admissions to hospital, easier and timely access to services and greater equality across the region. The 2018 strategy reflects whole Wales policies for the provision of future healthcare and reflects Ministerial priorities for decarbonisation and the greater use of and digitally supported services.

8.1.3 The PBC is, and subsequent business cases will be, focussed on the capital build but must have regard to the wider UHB planning objectives including the development of integrated locality plans to optimise use of technology and digital solution, Primary Care and the Community Estate and a multi-disciplined professional workforce. They must also align with the Health Board's objective (reflecting Government direction) of making the estate carbon neutral by 2030.

### Executive Summary

8.1.5 The PBC is work in progress and does not yet have an executive summary. The summary will need to ensure that those responsible for scrutiny and approval are clear on the purpose of the PBC and how it demonstrates confidence in the programme's readiness to proceed to the next stage. For that reason, we suggest that in the business case, probably in the management case, there should be a description of the scope of the PBC and the activities to be undertaken in the OBC stage.

### Strategic Case

8.1.6 The strategic case in the current draft of the PBC sets out at some length the strategic national and Health Board context for the transformation vision and objectives. It describes the extensive engagement and consultation process that was undertaken to support the development of the current strategy agreed by the Board in November 2018 and subsequently published.

8.1.7 The Review Team acknowledges that the Strategic Case is still being developed. As presently drafted it contains some helpful and informative material on the Case for

Change and it includes a description of developments since 2018. It seemed to the Review Team, however, that the key purpose of the strategic case at this stage should be to remind the reader of the drivers for change and how the solution identified in the 2018 strategy addresses those drivers. In other words, the case should confirm the earlier work rather than repeat what is already in the published strategy. Similarly the description in the Economic Case of the estate options seems to re-open the earlier discussion. It might be more helpful to concentrate on why there is no viable Plan B.

8.1.8 The Review Team suggests that while the PBC does not need to do more than summarise what led to the Board decision in 2018 (in other words it takes 2018 as the starting point), it does need to demonstrate why the then solution remains robust almost three years later. The drivers for change remain and the impact of Covid (both in posing challenges and in identifying opportunities) reinforces the case. The inefficiencies of the current estate and clinical model, workforce issues and the demands of an increasingly elderly and frail population are as pressing as they were in 2018. The principles set out in the strategy (greater integrated and community based care, the separation of urgent and planned care, the move to single rotas etc) remain valid. Similarly the factors in the analysis that led to the decision on the location of the new build remain sound.

**Risk: There is a risk that the PBC treads on old ground and consequently that the scrutiny process reopens issues previously resolved and approval is delayed.**

**Recommendation 1: The SRO and team might review the draft Strategic and Economic Cases to ensure that they confirm the earlier work but focus on the robustness of that solution against the here and now.**

## Transformation

8.1.9 The mandate for the PBC Programme identifies a number of Health Board planning objectives that drive the PBC – the new hospital and repurposing of Withybush and Glangwili supported by plans for access, travel, transport and infrastructure. Other planning objectives – integrated locality plans, decarbonisation, and well-being goals are identified as ‘relevant’. The clear message coming from the documentation and from the public engagement, and confirmed by interviewees, however, is that the capital build/ refurbishment is only part of the wider transformation to a more integrated, community based and individual centric health care model. Successful transformation needs the new hospital but without wider transformation the hospital will not succeed. We suggest that this might be brought out more clearly in the PBC.

8.1.10 Continuing work on the PBC will necessarily include more focus on the digital vision, more on transport and access and on decarbonisation but the wider interdependency of the hospital(s) design and the creation of more integrated community based healthcare provision is a message that needs to be repeated in every business case iteration.

**Risk: The business case for the new build does not stand or fall on the build itself and that message might be lost in the lead-in to the OBC**

**Recommendation 2: PBC should make clear that this is not a stand-alone capital project but has dependencies with developments in the community.**

Timelines

8.1.11 Submission of the PBC to the Health Board and subsequently to Welsh Government is planned for November this year. That timescale seems very challenging and its criticality was not immediately apparent to the Review Team. This is the first step in a very major investment and past experience of large scale investments, albeit not on this scale, suggests that the scrutiny and approval process will be rigorous and focussed on quality not time. In other words, we suggest that getting the argument and evidence right is more important at this stage than doing it quickly.

8.1.12 The timescales suggested for submission of the OBC and FBC seem equally ambitious given the scale and complexity of what is proposed, the resource demand and the need to keep the public and key stakeholders informed and involved. The Review Team was not clear as to whether the timescale would drive activity or activity determine the timescale. Schedule analysis will be a key part of developing the OBC.

8.1.13 Although we suggest above that the timescales are high risk, the Review Team was conscious that a lack of pace would also pose significant risk. The downside of extensive engagement and communication is that expectations are raised and the lack of visible progress makes subsequent engagement more difficult. Furthermore, the problems facing the Health Board cannot wait for the commissioning of the new hospital.

8.1.14 On this point, interviewees were very clear that, although there could not be significant infrastructure investment in advance of the new hospital, progress towards transformation did not have to wait for the new build. We heard, for example, that some of the worst problems on the estate were being tackled, that an innovatory approach to workforce roles was being developed and that there were examples of greater integration (the Cardiganshire Integrated Care Centre being one). Digitisation is key to providing a more personalised and flexible approach to healthcare and the digital strategy, Digital Response, sets out the Health Board's ambition and objectives for significant progress in advance of the estate changes. The visible examples of progress should mitigate the risks to the Health Board and the engagement process that are posed by the lengthy lead-in to the capital build.

The model

8.1.15 The difficulties over the modelling have resulted in a delay to the PBC. Difficulties in part reflect the limitations of the model, contractual changes and limited knowledge transfer to the programme team. The earlier problems have now been resolved and scenarios run to generate sufficient data to support the working assumptions. Nevertheless, the output is limited, the model inflexible and the process described as slow and clunky. Although the data generated is sufficient for PBC purposes it is recognised that a new model will be needed to support OBC development.

8.1.16 The Health Board is part of, and a leader in, Welsh Government adoption of HealthPathways which will be the basis for developing the clinical pathways and service model to support the OBC process.

## Digital

8.1.16 The current draft of the PBC contains what is largely placeholder text for the digital story. This is being addressed and the importance of digital development is recognised – an importance that relates not only or not mainly to the hospital build but importantly to wider transformation. Recognising its significance, the CEO has asked for an additional design principle to be added and a target developed for the percentage of services to be provided digitally.

8.1.17 The Health Board starts from a fairly strong position. The response to Covid was timely and effective, there are now single systems across the Health Board for each function and examples of best practice, the roll-out of the Welsh Nursing Care Record being one. The Digital Response strategy is comprehensive, innovatory and visionary. The digital team is aware of the issue of inclusivity and is addressing it, working in collaboration internally and externally with Digital Community Wales. Equally the digital team understands the need to respect the needs of those who may not be able or do not choose to use digital services – the guiding principle is ‘to leave no-one behind’. The team is also aware of the pace of technological change and its potential to outstrip the pace of digital investment. To mitigate this risk the digital team is setting up strategic partnerships with one or more of the major tech companies.

8.1.18 Although not yet reflected in the PBC, it is clear that the embracing of new technology not only brings opportunities now, not least in enabling a more patient centric focus, but will also support the future pathways work. Digital roll out is the bridge between the now and the later capital investment – it supports the development of more integrated community based care and, therefore, starts to create the transformative environment within which the new hospital will operate. It is recognised that the digital contribution needs to be given much more prominence throughout the PBC.

8.1.19 For the preparation of the OBC the digital team will need significant additional resources and to that end is conducting a gap analysis which will inform the OBC resource plan.

## Commercial and finance cases

8.1.20 The finance case is still in preparation and is not yet included in the draft PBC. At this stage the figurework will be very by and large but the case will need to set out the alternative funding routes and the pros and cons.

8.1.21 The commercial case (which will be reliant on the output of the further modelling) highlights some of challenges including concerns about supply chain capacity and at this stage cannot be definitive about the delivery strategy that will be developed in the OBC. It does, however, set out the approach to meeting the Health Board socio-economic duty (although there is a degree of repetition with the strategic case). The team is working with the Social Value Portal, has commissioned Bangor University to carry out an economic analysis and is developing a set of community benefits which will be reflected in the OBC.

Future business cases.

8.1 22 The programme team will need to produce a number of OBCs to support the different elements of the capital build as well as planning for the travel, access, transport and infrastructure to support the new configuration. At that point the programme moves from a narrowly focussed project to develop the PBC to a very much larger and complex programme. The Review Team heard that it was intended to keep the PBC as a living document and we agree that it is important, given the range of business cases and associated activities, that an overarching and up to date business case, against which the development of individual cases can be tested, should be maintained.

## **8.2: Engagement and communication**

8.2.1 The programme has adopted an exemplary approach in their engagement and communication strategy to date. The use of the Consultation Institute and the extensive public consultation and consultation leading to the decision in November 2018 demonstrates a real commitment to providing a transformed health care service. There is solid representation from a cross section of key stakeholders, internal and external, including local authorities as well as various clinical teams/groups. The extent of inclusion and engagement that has happened to date was clear to see throughout this review, although we agree with the suggestion that changing the representatives from time to time would ensure a different perspective through the next period.

8.2.2 Despite COVID19 and the need to work remotely the team has managed to keep up the momentum of communications. The Review Team feels that it is imperative that the ongoing engagement and communication continues at the level it began to ensure both public and workforce buy in. The recent engagement exercise requires resource and prioritisation to ensure that the feedback process is effective and appropriately targeted. This will maintain the buy-in from the public and workforce, keeping them updated but also starting to set expectations for subsequent decisions on site selection.

8.2.3 To reduce the risk of engagement fatigue there is a need to move from the strategic engagement and communication strategy into a more tactically targeted one – both in terms of the issues to be addressed and the sections of the population to be engaged. This will be informed by analysis and assessment of the impact of the developing health pathways work and the socio-economic duty (SED). The Review Team suggests that the management case within the PBC should include reference to the development of the communication and engagement plan for the current and next stage.

**Risk: There is a risk that without a resourced and carefully targeted communication plan for the next stage buy-in will be lost.**

**Recommendation 3: The communications and engagement plan in development should identify the additional resource required now and subsequently for the more targeted approach to the next stage.**

8.2.4 The communication and engagement teams need to work in parallel and we understand that there has been a restructuring which has led to their being separated into different directorates. It is evident, however, that the teams continue to work very closely which is testament to the maturity of the team.

**Risk: Changes in team members and loss of continuity could have an adverse impact on the close working between the teams.**

**Recommendation 4: The Review Team recommends that processes are mandated and documented to ensure continuity of joined up working and mitigate the risks around the communications and engagement teams being in separate directorates.**

### **8.3: Governance, assurance and programme management**

8.3.1 This programme is large, ambitious, complex and has numerous dependencies. There are some significant risks which will influence the development of governance and how the programme will be managed in the future. The extent of the activities, including the land selection and the parallel production of several business cases, will be significantly more demanding in the next phase and the SRO will need to ensure that the maturity of programme management is able to respond to the challenge.

8.3.2 The current governance structure has clear reporting lines that are followed and a strength of this structure is that the CEO is the SRO, is clear on his role and has direct access to the Executive Team and the Board. Action logs are used to assess action delivery, these are well used and give a good overview of what has and has not been delivered. The Programme Team Meetings take place every 2 weeks to oversee the development of the PBC and this means that delivery issues are picked up quickly and can be addressed. Most suppliers also attend these meetings. There is generally good attendance at the Group and Team although there is not always consistency.

8.3.3 In the next stage, recognising the major step-up inactivity, developing the OBC, it would be good practice to clarify the terms of reference, governance structure and individual roles in the Programme Group and the Programme Team and to confirm individuals' understanding of that. Given the need to bring in additional staff, and advisers, it would also be useful to prepare induction material in advance. A workshop after PBC approval would be a useful reset opportunity.

**Risk; Without clarity on what is needed from the governance and individual roles, it will be difficult to drive the activity needed for the next stage efficiently and effectively.**

**Recommendation 5: The terms of reference, mandate, governance and roles and responsibilities should be reviewed before the next stage.**

#### Quality assurance

8.3.4 Project Quality Assurance of the PBC and programme documentation has mainly been done through an editorial group which consists of internal staff. The Review Team

suggests that consideration should be given, when the OBC is being developed, to setting up a separate OBC Quality Assurance Group with the possibility of extending this group with key trusted external stakeholders. Assurance and wider scrutiny is provided through the People, Planning & Performance Committee - now the Strategic Development and Operational Delivery Committee - with clinical oversight through the Strategic Advisory Group.

Going into the next stage quality control, assurance, scrutiny and assurance roles will need to be reviewed including how primary and community care can be more involved. The Review Team understands that the programme team is developing an Integrated Assurance and Approvals Plan (IAAP).

## Risk management

8.3.5 The programme is supported by a risk register and the PBC management case contains a brief overview of the current risk management arrangements. Risks are part of the regular reporting to the Group and Team although the degree of active management is unclear. Risk reporting covers both the risks to timely submission of the PBC and risks to the implementation of the wider programme and are not always distinguishable one from the other. Risk ownership rests entirely with the SRO and the Programme Manager.. A number of risks have been on the register for some time and were reviewed, with additional risks added, at a workshop in July.

8.3.6 The Review Team did not see a risk management strategy and the arrangement for escalation of risk, for example, was not clear. A review of risk management will need to be a part of the review of programme management for the next stage. Due to the scale of the OBC, how the risks are managed in the future will need to change as there will be a number of strategic level risks that will need to be managed at Programme Board level with others delegated to the supporting governance and escalation only when mitigation is beyond the capability of the team or group to manage.

8.3.7 Strong risk management is essential for the next phase – the process for identification or closure of risks, ownership and risk management responsibilities will need to be clear. We suggest that a further workshop, with external stakeholders, would be helpful at the start of the next phase.

## Lessons Learned

8.3.6 In the development of the PBC the programme has made a conscious effort to learn from the experience of others. In addition the internal audit team is reviewing the lessons from other capital projects within the Health Board. Some of these lessons are reflected in the PBC. It is a good point in the programme to establish a lessons learnt log to ensure that ongoing lessons are captured and to show how they are being used in the programme.

## Outcomes and benefits

8.3.7 The 2018 strategy document (reflected in the economic case in the current PBC) sets out the Health Board's aspiration to maximise the opportunity to develop the local economy, provide local employment opportunities, delivery of decarbonisation and wider community benefits.

8.3.8 The programme has developed a matrix that maps the intended programme outcomes to the Health Board's strategic objectives and identifies benefits and some performance metrics supporting the benefits. This incorporates the realisation of community benefits. This is work in progress but will be a key element of the OBC development.

## Planning

8.3.9 Our report has referred to the intended timescales for the delivery of the PBC and more significantly, the submission of the OBCs. Given the breadth of activity and the need to pursue a number of lines of development in parallel, the programme will need to be very clear on the optimal sequencing, the assumptions and dependencies and the critical path through the key milestones. The Review Team saw evidence that the programme team had started some work on schedule risk analysis and this will be vital for managing the future timeline risks.

## 8.4: Capability and capacity

8.4.1 The PBC senior leadership is well regarded and is supported by an enthusiastic and engaged team. There have been some changes in key personnel and some key roles are about to come into post. The continuity of leadership and team to and through the next stage is important.

8.4.2 The programme is aware of the capacity and capability requirements of the programme and have brought in additional staff and contractors to support the PBC work. There has been close working with the specialists including ongoing communication and updating with the Welsh Government.

8.4.3 The programme is also aware that, given the scale of the work to come, significant additional internal and external resources will be needed. This was a consistent theme of interviews -applying to the digital workstream, communications (as pointed out above), the work on the land acquisition, workforce and future modelling.

**Risk: The programme will not have timely and appropriate capacity and capability and timelines will slip.**

**Recommendation 6: The SRO should ensure that there is gap analysis and assessment of the resource requirement and that a business case for resources is produced before the start of the next phase.**

8.4.4 Clinical engagement has mainly been at the senior level up to at this stage. This is as planned but it is acknowledged that there will need to be wider clinical involvement at the OBC level and the clinical capacity is a risk area.. Clinical capacity will need to be

reviewed due to enable this involvement and it may be necessary to identify key clinicians who will need to be relieved of some of their other responsibilities.

## **8.6: Estate solution**

8.6.1 Consultation around the estate solution to date has been comprehensive and inclusive. There has been feedback and input from the public as well as from local authorities and stakeholders across the healthcare community. The close and continuing involvement of the Consultation Institute is a real positive. The downside of extensive engagement is that expectations are raised, some of which inevitably will be disappointed. Site selection is a particularly sensitive area and it is important that continued engagement and feedback on decision making in this area demonstrates the objectivity of the decision making process, that the criteria for choices are set out and that they are clearly related to the themes and responses of the earlier consultation. The Review Team noted that engagement with other health boards could be impacted by the final location decision for the new hospital. There will be more work needed around impact assessments as the programme head towards OBC.

8.6.2 Land is a workstream in the PBC programme. The workstream reports regularly to the Programme Group and Programme Team and will be providing analysis of the clinical and workforce criteria that will be part of shaping the criteria for selection. The team is resourced, works with Chairs of the CHCs, local authorities from all three counties and others and has appointed Savills as professional adviser.

8.6.2 The current list of potential locations is due to be reviewed and potentially reduced at a planned workshop in October. It is understood that, for the short listing, the high level Hurdle criteria developed for the original long listing of site options will be developed into more specific criteria through a SWOT analysis conducted in a workshop involving a range of stakeholders and representatives of the public. Deciding the short listing of the site options does not appear to be critical to the development of the PBC but demonstrating the rigour and transparency of the process is important in helping to establish confidence in the approach to site selection during the OBC stage.

8.6.3 It is imperative that the assessment of site locations and options is visibly meticulous and sensitive to public needs and appetite, an imperative of which the programme team is well aware. This is a high-risk area of the programme given the potential impact on the public and it is good to see that the team has engaged with Savills. There is a recurring theme of transport link concerns across key stakeholders including public and workforce and it is reassuring that this will form part of the decision criteria. This will need to be referenced in the PBC and addressed in more detail at OBC.

8.6.4 The recent COVID19 pandemic has highlighted the value of having a green field location. The landscape has changed considerably in the last 18 months and the possibilities and flexibility of this type of location will provide reassurance and contingency should we find ourselves in a pandemic situation again. The PBC will need to provide reassurance that the assessment criteria for site selection will reflect the importance of transport links and relationship with the Wales transport strategy as well as the benefits of a green field hospital.

8.6.5 It is recognised that the land selection is a sensitive and difficult area. The journey to site selection will not be an easy one but the Review Team felt that the land selection governance and processes recognised the challenges and that they were being tackled appropriately and effectively.

## **9.0 Next Assurance Review**

The programme will need to be reviewed at an appropriate stage in the OBC preparation.

# ANNEX A

## Terms of reference for PAR

The Programme Group would welcome the Gateway Review Team's input to review the:

- Current PBC Governance arrangements
- The preparation currently being undertaken for the Outline Business Case development and the proposed governance structure, risks and issues
- The Land selection governance structure and process being followed

Key areas of focus will be

- Review of strategic case and draft documentation currently available
- The Programme structure, the timelines and the plans that are in place to progress the development of the Outline Business Cases, including that appropriate expert advice is being and will be obtained as necessary
- That the proposed Governance arrangements for the next phase of the Programme are robust
- That there is a robust process for identifying and managing the main programme risks going forward
- Provide assurance around the approach being taken on the land selection process
- and test that the Health Board scope of the Digital and Environmental solutions being considered in the PBC delivery are ambitious enough whilst still being realistic and unambiguous

## ANNEX B

### List of Interviewees

The following stakeholders were interviewed during the review:

Name	Organisation and role
Steve Moore	CEO, HDUHB, SRO
Lee Davies	Executive Director Strategic Devt, HDUHB
Huw Thomas	Executive Director Finance, HDUHB
Ian Gunney	Deputy Head, Capital Estates,
Paul Williams	Assistant Director Planning and Projects, HDUHB, Programme Manager
Clive Ball	NWSSO Strategic Estates
Anthony Tracey	Digital Director and Workstream lead for Activity Modelling and Digital, HDUHB
Lisa Gostling	Workforce Director, HDUHB
Yvonne Buston	Assistant Director, Communications
Philip Kloer	Medical Director, HDUHB
Sion James	Deputy Medical Director, Primary and Community Care, HDUHB
Greg Haddock	PWC