

# Digital Transformation

Powys Teaching Health Board

May 2026



# About us

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# Audit snapshot

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## What we looked at

- 1 We looked at how Powys Teaching Health Board's approach to digital transformation is supporting service improvement. This included the approach to digital strategy, leadership and skills development. We also considered how the organisation manages risks around digital infrastructure, cyber resilience and Artificial Intelligence (AI).

## Why this is important

- 2 Digital technology is a key enabler to many of the aims of A Healthier Wales. That plan says that new technologies and digital approaches will be an important part of the future whole system approach to health and care.
- 3 However, achieving digital transformation is challenging. It requires investment, the right infrastructure, and staff engagement and training. Systems need to communicate with one another and organisations must manage ever-growing risks around cyber resilience.
- 4 Digital transformation is not just about technology, it is about culture and leadership. The boards of NHS bodies have a key role in approving and owning the organisation's digital strategy. Boards also need assurance that digital transformation is being managed safely and effectively, and that investment is securing the intended benefits.

## What we have found

- 5 The Health Board has a clear Digital Strategic Framework that is aligned to national priorities and supports long-term service improvement. The Health Board has strengthened its governance arrangements for digital transformation, and a structured programme of digital projects is in place. However, weaknesses in financial planning, benefits realisation, and assurance reporting limit the Board's ability to fully understand progress, risks, and impact. While digital infrastructure and cyber controls have improved, assurance over long-term resilience remains limited, particularly in relation to capital planning, legacy systems, and disaster recovery.
- 6 Although the Health Board recognises the potential of AI, governance arrangements remain underdeveloped. The Digital Strategic Framework sets out high-level ambitions but lacks clarity on implementation, resourcing, risk management, and oversight. At the same time, the organisation does not yet have a comprehensive understanding of its digital skills and workforce capacity, with low uptake of self-assessment tools, no co-ordinated training plan, and reliance on small numbers of specialists creating resilience risks.
- 7 Engagement with staff and service users has supported some positive digital developments, but approaches are inconsistent and lack formal structure, including the absence of a Board-approved digital engagement or inclusion plan. Overall, the Health Board is progressing a range of digital initiatives and shows commitment to transformation. However, gaps in strategic risk management, workforce planning, benefits evaluation, and long-term investment planning weaken assurance that digital investment will consistently deliver sustained improvements in service quality, efficiency, and accessibility.

## What we recommend

- 8 We have made seven recommendations to the Health Board:
  - strengthen the Digital Roadmap so progress, ownership, and outcomes can be clearly tracked;
  - clearly identify digital transformation risks on the Strategic Risk Register to support informed Board oversight;

- produce an annual plan to comply with the NIS 2018 Cyber Assessment Framework;
- strengthen its planning, risk management, and governance for the safe use of AI;
- take a more structured approach to assessing and developing digital skills across the workforce and digital teams;
- assign clear leadership for digital inclusion and embed it consistently across all digital projects; and
- introduce consistent post-implementation reviews to confirm digital projects deliver their intended benefits.

# Key facts and figures

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Of the Health Board's workforce of approximately 2,150 employees, only 76 have completed the Health Education and Improvement Wales (HEIW) interactive self-evaluation digital capability tool as part of the Digital Capability Framework.

Since March 2025, the Health Board has had no reportable cyber incidents per the Network and Information Systems Regulations 2018.

In 2023, the Health Board was assessed at Stage 1 of the HIMSS EMRAM model meaning core digital systems are in place, but overall digital maturity is still at an early stage. Its Digital Strategic Framework sets an ambition to reach stage 5 by 2027.

Overall compliance against Cyber Assurance Framework was reported as 'Not Achieved' in July 2024.

From 2021-22 to 2024-25, the Health Board invested approximately £13.9 million in digital revenue and £5.2 million in digital capital.

Between 2025-26 and 2028-29, the Health Board is forecasting total expenditure of circa £17.8 million on digital revenue and £3.1 million on digital capital.

# Our findings

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## Strategy, planning and leadership

### **The Health Board has a clear digital strategy, but progress reporting to Board needs to provide clearer assurance on delivery and impact**

#### Digital strategy and plans

- 9 Following effective engagement with stakeholders and Board members, the Health Board developed its Digital Strategic Framework 2023-27 (the 'DSF'), which the Board approved in July 2023. It sets a clear vision for using digital tools to improve health and care, focussing on five main themes.<sup>1</sup> However, as 2027 approaches, it is unclear whether the Health Board plans to review and renew its DSF.
- 10 The DSF is well aligned with the Health Board's Integrated Plan for 2024-29 and is recognised and a key enabler to deliver its strategic priorities. The DSF is also strategically aligned to national priorities, including Healthier Wales, and the Welsh Government's Digital and Data Strategy.
- 11 The DSF sets out digital transformation as a key enabler for improving service sustainability, quality, and access to care. It explains how digital will support new ways of working, including real-time access to shared patient records, improved interoperability across services, and greater use of data to inform planning and decision-making. It also highlights how digital tools such as virtual consultations, patient portals, and self-management technologies, will enhance patient experience, support care closer to home, and help manage rising demand.

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<sup>1</sup> The five themes are: Citizen-centred Care and Support; Leadership, Partnership and Alliances; Infrastructure and Security; Enabling Efficiency and Effectiveness; and Big Data and Artificial Intelligence.

- 12 The DSF is based on the Health Board's digital maturity, assessed in 2023 at Stage 1 of the HIMSS EMRAM, meaning that core digital systems are in place.<sup>2</sup> Furthermore, as part of developing its five-year Integrated Plan, the Health Board carried out a PESTLE and SWOT analysis which were also used to support the assessment of the organisation's digital maturity.<sup>3,4</sup>
- 13 The Health Board has created a Digital Roadmap which translates the DSF into practical action by setting out what it plans to do in the short, medium, and long-term. This includes things like offering more virtual consultations, moving systems to the cloud, and building better ways to use data. However, the roadmap lacks detail on responsibilities, targets, and detailed timelines. This makes it harder to assess progress and to know whether the roadmap is delivering its intended outcomes.
- 14 The Health Board has also put a Benefits Framework in place to help ensure that digital and service-transformation projects are linked to strategic objectives. However, an Internal Audit review of Digital Systems Uptake in October 2025 found that the framework is not yet applied consistently across all digital projects. Despite this, we did find examples of benefits being delivered and reported, such as cost savings from virtual consultations and efficiency improvements from modernising data systems. However, further work is needed to embed benefits tracking across all digital programmes and projects and clearly demonstrate value for money.

## **Board ownership of digital transformation**

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<sup>2</sup> Healthcare Information and Management Systems Society ([HIMSS](#)) [Electronic Medical Record Adoption Model \(EMRAM\)](#) Stage 1 signifies that the Trust has installed core ancillary systems for lab, pharmacy, and radiology.

<sup>3</sup> A PESTLE analysis examines the main external factors (Political, Economic, Social, Technological, Legal, and Environmental) that may influence an organisation.

<sup>4</sup> A SWOT analysis is conducted to identify an organisation's strengths, weaknesses, opportunities, and threats.

- 15 The Board shows a reasonable understanding of, and support for the DSF. To strengthen awareness of digital risks, Board Development Sessions were held in December 2025 focussing on cyber security, digital services, and digital infrastructure. However, more digital education and awareness-raising would help Board members provide stronger challenge, scrutiny, and strategic leadership as the Health Board continues its digital transformation journey.
- 16 Due to delays in the recruitment process beyond its control, the Health Board currently does not have an Independent Member for Digital. This potentially reduces the profile of digital matters at Board level. However, the Executive Director of Allied Health Professions, Health Science and Digital attends relevant Board and committee meetings. Furthermore, the Chief Digital Officer also attends these meetings, as required.
- 17 The Health Board is no longer represented on the All-Wales IM Digital Network, a role undertaken by the previous Independent Member for Digital. This reduces opportunities to share learning, exchange good practice, and contribute to national digital discussions that could support the Health Board's own digital transformation.

## Roles, responsibilities and accountability

- 18 There is clear accountability within the Health Board for delivering digital transformation, supported by well-defined senior roles. Executive responsibility sits with the Executive Director of Allied Health Professions, Health Science and Digital. The Chief Digital Officer oversees operational delivery of the Health Board's digital, data and technology functions.
- 19 Progress against the DSF is regularly reported to the Executive Committee, the Digital Governance Board, and the Delivery and Performance Sub-Committee. The ARAC provides Board-level oversight of DFS delivery and escalates issues to the Board where required. While quarterly reports to ARAC provide a clear overview of progress, milestones and risks, they often lack detail on benefit realisation and how risks will be managed.

## Identifying and managing risks

**The Health Board has arrangements to manage digital risks, but these are inconsistent and incomplete and there is clear scope to strengthen them in key areas**

### Strategic digital risks

- 20 The Health Board's Strategic Risk Register has one specific digital risk, with a high score of 15 – failure of digital and electrical infrastructure posing a risk to delivery of care. The risk is considered in detail by ARAC in private due to its sensitive and confidential nature. While the Strategic Risk Register appropriately identifies key digital issues, they mainly focus on the network, electrical, and cyber components of the risk.

- 21 The Strategic Risk Register includes a specific risk relating to transformation. However, it is quite broad and does not set out any specific issues or risks associated with digital transformation. This means the Health Board may not fully understand or plan for the problems that could affect the delivery of its DSF, such as delays to key projects or resources challenges. This can make it harder for the Board to make informed decisions, to target resources properly, and to show it is managing all strategic digital risks in a clear and transparent way.

### **Digital infrastructure risks**

- 22 The DSF identifies “Infrastructure and Security” as a core strategic theme, showing how important it is to modernise systems and keep them strong and reliable. However, it does not set out clear timelines, milestones, or costed plans for doing so.
- 23 The Health Board has introduced new policies and tools to improve how digital assets are managed, including a Digital Asset Management Policy, and the Halo IT Service Management tool. These help reduce risks such as data loss. However, the Health Board told us that not all staff follow the policies consistently, so more work is needed to make sure they are used properly across the organisation.
- 24 The Health Board is making progress in updating devices, improving Wi-Fi, upgrading cabling, and modernising phone systems. These upgrades are being done in stages, starting with the most important areas like cyber security by replacing old equipment. This shows the Health Board is committed to fixing outdated technology and building the right foundations for digital transformation.
- 25 ARAC receives quarterly updates on replacement of old hardware and software, which are escalated to the Board when necessary. We also observed a Board briefing session focused on digital matters, which clearly articulated the challenges and opportunities associated with the Health Board’s digital infrastructure. The session demonstrated effective Board engagement through constructive challenge and discussion.

- 26 Financial planning for longer-term infrastructure upgrades is another area of concern. Although short-term projects are being delivered (see **paragraph 25**), the absence of a long-term capital plan makes it difficult to ensure sustainable investment and prioritisation of future needs. This creates uncertainty around the ability to maintain modern infrastructure beyond the current planning cycle.

## Cyber resilience

- 27 While cyber resilience is a core component of the DSF, the Health Board's lacks a separate Cyber Security Delivery Plan. Having a separate delivery plan for cyber security would strengthen the Health Board's ability to plan appropriately and use resource more effectively.
- 28 ARAC oversees cyber security risks, which are included in the corporate and strategic risk registers. Controls are in place to improve cyber resilience, such as making the network more reliable, removing old software, and regular audits. Most of the Health Board's controls are providing reasonable or substantial assurance.
- 29 The Health Board maintains an effective working relationship with the Cyber Resilience Unit and Digital Health and Care Wales (DHCW), utilising their guidance and expertise to support cyber resilience. In 2024, the Cyber Resilience Unit gave a 'Not Achieved' assurance rating for the Health Board's compliance with the Cyber Assessment Framework. This reflected delays in developing a Digital Cyber Disaster Recovery Response. The CRU also recommended more advanced and ongoing cyber training for senior leaders, in addition to mandatory training, to strengthen resilience. There have been no reportable cyber incidents at the Health Board in the past 12 months.

## Artificial intelligence

- 30 The Health Board's DSF recognises the potential for artificial intelligence (AI) to support its digital ambitions, but it does not clearly set out which services are expected to benefit from AI, when AI solutions might be implemented, or what outcomes are expected from the use of AI. As a result, AI remains a high-level aspiration rather than a clearly defined programme with measurable benefits.
- 31 The framework also lacks clarity on the resources required to develop and use AI. It does not specify the funding, workforce capacity, skills, or technical tools needed, nor does it clearly explain how AI-related risks will be identified and managed. While the DSF refers to enabling foundations, such as secure data platforms and improved interoperability, this does not provide sufficient assurance to the Board that AI risks are being adequately planned for and addressed.
- 32 The Health Board's governance arrangements for AI are underdeveloped. Although the Digital Governance Board has a role in approving AI tools, there is no clear framework setting out accountability, decision-making, or escalation arrangements. The Health Board has begun developing policies to manage AI risks, but these are not yet complete and are not specific to AI. This creates gaps in oversight, especially as staff already have access to generative AI tools through Microsoft 365, which introduces potential data security and information governance risks.

## Digital skills

**The Health Board lacks a comprehensive understanding of digital skills and faces significant workforce capacity and resilience challenges, limiting its ability to plan, oversee, and develop a fully digitally capable organisation**

### Assessing digital skills

- 33 The Health Board does not yet have a full understanding of digital skills across its workforce. As of October 2025, only 76 employees had completed HEIW's Digital Capability Framework self-evaluation tool. Most of those who did take part said they were either confident or still learning.
- 34 Beyond the HEIW Digital Capability Framework, the Health Board has carried out some targeted checks to see if staff are ready for new digital systems. These checks are helpful for individual projects, but they only cover small groups of staff and do not replace the need for a full assessment of digital skills across the whole organisation.

### Developing digital skills

- 35 The Health Board has articulated a clear vision for what a digitally enabled workforce looks like within its DSF; however, it lacks a formalised training plan for upskilling, improving digital literacy, and creating a 'Digital First' culture.
- 36 Despite this, the Health Board does offer some support to help staff improve their digital skills and knowledge. These include regular training on cyber security and data protection for all staff and "Digital Days" where staff can get face-to-face help from the Digital Team. The Health Board also wants to bring more clinical experts into digital teams, increase the number of digital champions, and develop a training strategy with key partners. However, these plans are difficult to deliver because the digital teams are small and there are not enough specialists, especially in high-demand areas like cyber security.

- 37 The Health Board's Digital Team is currently operating with limited staffing, with some functions reliant on a single specialist. This exposes the Health Board to resilience risks and limits its ability to undertake proactive work. The reliance on annual funding cycles makes it challenging for the Digital Team to plan over the medium term, leading to short-term contracts, retention challenges, and difficulty building capability.
- 38 The Health Board is aware of the significant workforce risks linked to digital, such as the inability to recruit and retain specialist staff. However, these risks are not being tracked or reviewed at Board level. As a result, the Board does not have a full picture of the scale of the problem and cannot properly challenge or support the organisation to make improvements. This lack of oversight also makes it harder to manage long-term workforce risks effectively.

## Collaboration and involvement

### **The Health Board engages with staff and service users, but its approach is inconsistent and unstructured, and it lacks a clear plan for tackling digital exclusion**

#### **Staff and service user involvement**

- 39 The Health Board demonstrates a positive approach to involving staff and service users in digital design and implementation; however, the absence of a documented communication and engagement process limits consistency and impact. Engagement activity is not well co-ordinated across programmes and remains largely ad hoc. Furthermore, the Board does not receive routine assurance that feedback is being captured, acted upon, or used to inform decision-making.

- 40 The Health Board introduced a new Target Operating Model for Digital Services in 2024, after ending its joint ICT arrangement with Powys County Council. This new model puts staff and service users at the centre of how digital services are designed and delivered with a strong focus on engagement and user experience. For example, on-site 'Digital Days' are delivered across the year at every Health Board site to support and engage with services directly. This was an important step for the organisation, as it gives the Health Board full control of its digital strategy, how services are delivered, and how well they perform.
- 41 User involvement has helped improve digital services and inform decision-making. Improvements in Guest Wi-Fi across all sites following patient feedback has led to a positive impact on patient experience, particularly for mental health inpatients. Despite these efforts, engagement with service users remains predominantly indirect, typically filtered through staff stories rather than direct engagement and consultation. This means the Health Board does not always hear people's experiences first-hand, which can limit its understanding of how well digital services meet their needs.

## Reducing digital exclusion

- 42 The Health Board's DSF recognises the need to prevent digital exclusion and commits to inclusive access by signing the organisation up to the Digital Inclusion Charter.<sup>5</sup> However, the Health Board lacks a formally documented or Board-approved Digital Inclusion Plan that clearly sets out what actions it will take to increase digital uptake and reduce digital exclusion. It also has not appointed a dedicated Digital Inclusion Lead.

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<sup>5</sup> The Digital Inclusion Charter exists to support and champion organisations in Wales who are willing to promote basic digital skills and help people get online.

- 43 Despite this, the Health Board is becoming more aware of the risks of digital exclusion, especially for people in rural areas and older or vulnerable groups. It uses Equality Impact Assessments and similar tools to consider how digital projects affect these groups, but this approach is still developing and not used consistently by every project. The Health Board also works with partners like HEIW, Cwmpas, and voluntary organisations to help to identify possible barriers to digital access.<sup>6</sup>

## Using digital developments to support service transformation

### **The Health Board is progressing local and national digital solutions, but funding uncertainty risks slowing progress, and stronger evaluation is needed to understand whether digital investments are achieving meaningful impact**

#### **Investment in digital transformation**

- 44 The DSF does not set out the exact funding needed for each stage of the Health Board's Digital Roadmap. As a result, the Health Board is unable to clearly plan which projects are affordable or prioritise resources effectively. The Health Board reported that this is difficult to address due to the short-term nature of funding cycles.
- 45 **Exhibits 1 and 2** show that the Health Board's overall digital investment is rising, mainly due to rising revenue costs. Capital funding remains low and is much more unpredictable. While rising investment shows commitment to digital modernisation, the imbalance between capital and revenue, along with uncertainty about long-term investment opportunities creates risks for delivery of the Health Board's digital ambitions.

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<sup>6</sup> Cwmpas is a co-operative that supports and promotes digital inclusion across Wales through a number of initiatives.

**Exhibit 1: Annual capital and revenue investment in digital (2021-22 to 2024-25), split by core and grant funding**

<b>Financial Year</b>	<b>Capital Budget £m</b>	<b>Capital Expenditure £m</b>	<b>Revenue Budget £m</b>	<b>Revenue Expenditure £m</b>
2021-22	£1.9	£1.9	£2.1	£2.7
2022-23	£0.7	£0.7	£3.1	£3.2
2023-24	£1.2	£1.2	£3.3	£3.5
2024-25	£1.4	£1.4	£4.2	£4.4

Source: Health Board supplied data

**Exhibit 2: Planned levels of capital and revenue investment in digital (2025-26 to 2027-28)**

<b>Financial Year</b>	<b>Capital £m</b>	<b>Revenue £m</b>
2025-26	£0.7	£4.3
2026-27	£0.7	£4.4
2027-28	£0.9	£4.5

Source: Health Board supplied data

## Local and regional digital projects

- 46 The Health Board is progressing a range of local digital programmes that supports its goals to improve access, quality, efficiency, and productivity. These include establishing a digital telephony service, which has improved response times for operational service delivery according to the Health Board. The Health Board has also developed its in-house application development capabilities which has led to 12 new applications being developed to improve efficiency, such as DigiFlow and Silvercloud. To track efficiency improvements, the Health Board has also developed 33 new dashboards in 2025-26 and migrated a further 409 dashboards to the cloud, improving data security and accessibility.
- 47 The Digital Project Management Team oversees day-to-day delivery, whilst the Change Advisory Board and the Digital Governance Clinical Board use the MoSCoW method to assess which projects should be prioritised.<sup>7</sup> This helps make sure that essential work, such as cyber security and replacing outdated systems, is balanced with longer-term digital initiatives. Progress updates on the delivery of projects and digital services are reported quarterly to ARAC for assurance.
- 48 The Health Board reported that it works closely with regional partners to deliver its DSF. Its involvement in statutory groups, such as the Public Services Board and Regional Partnership Board, gives even more opportunity to tackle shared challenges, support joint planning, and reduce duplication. However, we failed to find evidence of any regional digital initiatives in the Health Board digital reporting. While these partnerships are seen as a strength, the Health Board reported that there are significant resource constraints, which can limit the scale and impact of joint digital initiatives.

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<sup>7</sup> The MoSCoW method is a technique for prioritising digital projects, where the acronym stands for Must have, Should have, Could have, and Won't have.

## Adopting national digital systems

- 49 The Health Board is actively adopting national digital solutions as part of the 'Once for Wales' approach and works constructively with DHCW and Welsh Government. Senior leaders take part in national digital forums to make sure Powys' needs are heard and that local plans match national developments. The Health Board is involved in major digital projects like WCCIS, Digital Maternity Cymru, Digital Eye Care Programme, the NHS Wales App, the Welsh Nursing Care Record, and diagnostics systems such as RISP and LIMS.<sup>8,9,10</sup>
- 50 Quarterly Digital First Monitoring Reports to the ARAC show that delays to national digital programmes remain significant. These delays limit the Health Board's ability to manage digital risks and slow the pace of its wider digital transformation plans. The reports highlight delays in key national programmes, including ePMA and the Digital Eye Care Programme. Delays to a cross-border project delivered in collaboration with Digital Health and Care Wales have also affected progress, meaning interoperability remains a significant issue. Many delays are outside the Health Board's control and depend on national partners, meaning progress with digital modernisation and wider digital transformation is largely reliant on the delivery of national programmes.

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<sup>8</sup> Welsh Community Care Information System

<sup>9</sup> Radiology Informatics System Procurement

<sup>10</sup> Laboratory Information Management System

## Evaluating digital solutions

- 51 The Health Board does not yet have a strong or consistent approach for reviewing projects after they are completed or checking whether the expected benefits have been delivered. As noted previously, recent Internal Audit work gave only limited assurance in this area. The lack of regular post-implementation reviews makes it harder for the Health Board to learn from experience, measure the real impact of digital projects, and show whether the investment is worthwhile. Without a more structured evaluation process, the Health Board cannot be fully confident that its digital changes are leading to meaningful and long-lasting improvements.

# Recommendations

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52 The following table details the recommendations arising from our work.

**R1** The Health Board should clearly set out responsibilities, milestones, and measures for each project in the Digital Roadmap so progress and outcomes can be properly monitored (see **paragraph 13**).

**R2** The Health Board should strengthen its Strategic Risk Register by clearly identifying and articulating risks associated with digital transformation, including risks related to delivery, capacity and resources (see **paragraph 21**).

**R3** The Health Board should produce an annual Cyber Security Delivery Plan that states how it intends to comply with the Network and Information Systems Regulations 2018 Cyber Assessment Framework (see **paragraph 27**).

**R4** The Health Board should strengthen its arrangements for managing risks relating to Artificial Intelligence by:

**R4.1** developing a clear organisational plan for the safe and effective use of AI;

**R4.2** strengthening arrangements for identifying, assessing, and managing AI-related risks; and

**R4.3** ensuring appropriate governance arrangements are in place so that AI is deployed and used safely, appropriately, and in line with agreed policies (see **paragraphs 30 to 32**).

**R5** The Trust should strengthen its approach to understanding and developing digital skills in the workforce by:

**R5.1** increasing participation in the HEIW Digital Capability Framework self-assessment;

**R5.2** creating a clear plan for measuring digital confidence and monitoring progress over time; and

**R5.3** assessing the technical digital capabilities within the core digital team (see **paragraphs 33 to 38**).

**R6** The Health Board should strengthen leadership for digital inclusion and develop a digital inclusion plan (see **paragraph 42**).

**R7** The Health Board should introduce a consistent post-implementation review process to assess whether digital projects deliver their intended benefits (see **paragraph 51**).

# Appendices

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# 1 Management response

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Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
R1	The Health Board should clearly set out responsibilities, milestones, and measures for each project in the Digital Roadmap so progress and outcomes can be properly monitored (see <b>paragraph 13</b> ).	Accepted: We agree that the Digital Strategic Framework will be reviewed and refreshed ahead of 2027. This intention is reflected in our Integrated Planning cycle and will be made explicit in future digital reporting. A new “Digital Roadmap on a Page” is in development, setting out strategic alignment, priority programmes, ownership, milestones, dependencies, risks and expected outcomes.	August 2026	Chief Digital Data Officer
R2	The Health Board should strengthen its Strategic Risk Register by clearly identifying and articulating risks associated with	Accepted: We agree that digital risks require clearer articulation at corporate level.	July 2026	Chief Digital Data Officer

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
	digital transformation, including risks related to delivery, capacity and resources (see <b>paragraph 21</b> ).	These risks have been reviewed with Executive colleagues and submitted into the Corporate Risk Register, with clear ownership, mitigations and reporting through ARAC and the Board alongside operational directorate risks.		
<b>R3</b>	The Health Board should produce an annual Cyber Security Delivery Plan that states how they intend to comply with the Network and Information Systems Regulations 2018 Cyber Assessment Framework (see <b>paragraph 27</b> ).	<p>Accepted:</p> <p>The Health Board will develop a proportionate annual Cyber Security Delivery Plan aligned to the Network and Information Systems (NIS) Regulations and Cyber Assessment Framework.</p> <p>The plan will set out priority actions, controls, assurance activity, dependencies and deadlines, recognising the Health Board's scale, risk profile and available specialist capacity.</p>	October 2026	AD Digital, Data and Technology and Senior Cyber Security Specialist

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
R4	<p>The Health Board should strengthen its arrangements for managing risks relating to Artificial Intelligence by:</p> <p><b>R4.1</b> developing a clear organisational plan for the safe and effective use of AI;</p> <p><b>R4.2</b> strengthening arrangements for identifying, assessing, and managing AI-related risks; and</p> <p><b>R4.3</b> ensuring appropriate governance arrangements are in place so that AI is deployed and used safely, appropriately, and in line with agreed policies (see <b>paragraphs 30 to 32</b>).</p>	<p>Accepted:</p> <p>We recognise that AI governance is underdeveloped. In response to:</p> <p><b>R4.1</b>, there is a draft AI policy that is ready for submission to approve. Once approved this will be supported by a SOP</p> <p><b>R4.2</b> there is already a process in place via the Digital Initiatives Group, this can only monitor those that we are aware of.</p> <p><b>R4.3</b> This will be supported by a SOP and a communication to all staff to follow the process. A method of auditing proper use of AI in context will be investigated.</p>	March 2027	<p>Assistant Director of Digital &amp; Data Operations</p> <p>Head of Information Governance</p> <p>CNIO &amp; SIRO</p>
R5	<p>The Trust should strengthen its approach to understanding and</p>	<p>Accepted:</p> <p>The Health Board will request HEIW to support with a clear plan to strengthen</p>	March 2028	<p>Chief Digital Data Officer, EDWOD</p>

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
	<p>developing digital skills in the workforce by:</p> <p><b>R5.1</b> increasing participation in the HEIW Digital Capability Framework self-assessment;</p> <p><b>R5.2</b> creating a clear plan for measuring digital confidence and monitoring progress over time; and</p> <p><b>R5.3</b> assessing the technical digital capabilities within the core digital team (see <b>paragraphs 33 to 38</b>).</p>	<p>our approach to understanding and developing the digital skills in the workforce.</p> <p>In response to R5.1, We will promote the HEIW Digital Capability Framework self-assessment through staff engagement and staff briefings.</p> <p>In response to R5.2, we will develop an iterative plan for measuring Digital confidence using surveys as part of each digital implementation/evaluation in our IMTP.</p> <p>In response to R5.3, Digital will assess technical capability and capacity risks within the core Digital Team and agree development actions, which will be reported through established governance. This will be proportionate to organisational capacity and financial constraints.</p>	<p>This recommendation requires sustained organisation-wide engagement and behaviour change across a predominantly dispersed, multi-professional workforce, alongside agreement with external partners (HEIW) on approach and measures. Delivery will be phased to align with the IMTP cycle and major digital implementations so we can baseline capability, increase participation in the HEIW self-assessment, implement repeat measurement, and</p>	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
			evidence improvement over time within available capacity and financial constraints.	
R6	The Health Board should strengthen leadership for digital inclusion and develop a digital inclusion plan (see <b>paragraph 42</b> ).	<p>Accepted:</p> <p>We accept this recommendation and will look to have support from our Boards Independent members. We do already have Executive oversight with the Exec Director of AHP, Health Science and Digital.</p> <p>A plan will be developed in collaboration with HEIW, Workforce and Organisational Development, the Living Well Service and the Clinical Informatics Team.</p>	<p>March 2028</p> <p>Developing and embedding effective digital inclusion leadership and a plan requires co-production with multiple stakeholders (including Workforce &amp; OD, Powys Living Well Service, Clinical Informatics and HEIW), engagement with communities, and alignment with</p>	Chief Digital Data Officer, CNIO, Business Manager Powys Living Well Service (PLWS)

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
			national and regional digital inclusion activity. The extended timeframe enables discovery and needs assessment, agreement of governance and ownership, design of targeted interventions, and evaluation of impact across several planning cycles, recognising constrained organisational capacity and competing transformation priorities.	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
R7	The Health Board should introduce a consistent post-implementation review process to assess whether digital projects deliver their intended benefits (see <b>paragraph 51</b> ).	Accepted: We accept and recognise the need to apply the Benefits Framework more consistently as projects go live and come to an end. The Benefits Framework will be adapted to include user experience to regularly assess and measure if the digital projects deliver the intended benefits.	March 2027	Chief Digital Data Officer/Head of Digital Programmes

## 2 About our work

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### Scope of the audit

The goal of this audit is to find out if the Health Board is using digital technology to support service modernisation and efficiency. This included the approach to strategy, leadership and skills development for digital transformation, and how risks around digital infrastructure, cyber resilience and artificial intelligence are being managed.

### Audit questions and criteria

#### Questions

Our audit addressed the following questions:

- Does the Health Board have a well-led and appropriately resourced approach to digital transformation?
- Is the Health Board developing the digital skills, capacity, and capability of its workforce?
- Does the Health Board have a clear plan for managing its cyber resilience arrangements and digital infrastructure and how they will need to change to support its digital transformation ambitions?
- Does the Health Board engage effectively with staff, partners, patients / service users to deliver its digital transformation ambitions and minimise digital exclusion risks?
- Is the Health Board actively utilising new digital technology and data solutions to enhance the accessibility, quality, efficiency, and productivity of its services?

## Criteria

Our audit questions were shaped by:

- External reference input from the Welsh Government, all-Wales NHS Directors of Digital, and Digital Health & Care Wales.
- Relevant Welsh Government strategies and plans.
- Relevant NHS Digital Transformation review reports completed by the National Audit Office and House of Commons Health and Social Care Committee.
- NHS England Department of Health & Social Care: A plan for digital health and social care policy paper.
- NHS England Transformation Directorate: What good looks like framework.

## Methods

We asked the Health Board to:

- Complete a self-assessment to help us understand how the organisation is undertaking digital transformation.
- Give us facts and figures about its spending on digital technology, staff digital skills, cyber resilience, and how it involves people in digital transformation.

We reviewed a range of documents, including:

- Board and committee papers and minutes.
- Key governance documents, including Digital First Quarterly Monitoring Reports and Digital Annual Reports.
- Key strategies and plans, including Digital First Strategic Framework Strategy, People Strategy, Health Board Integrated and Annual Plan, and their Health and Care 2017–2027 Strategy.
- Key risk management documents, including the Board Assurance Framework and Corporate and Strategic Risk Registers.
- Relevant policies and procedures.
- Reports prepared by other relevant external bodies.

We interviewed the following key stakeholders:

- Chair of the Board

- Chief Executive Officer
- Chief Digital Officer
- Chief Operating Officer
- Executive Director of Allied Health Professions, Health Science and Digital

We observed Board meetings as well as meetings of the following committees:

- Delivery and Performance Committee (now Finance and Performance Committee)
- Audit, Risk and Assurance Committee
- Digital Board Briefing

# About us

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The Auditor General for Wales is independent of the Welsh Government and the Senedd. The Auditor General's role is to examine and report on the accounts of the Welsh Government, the NHS in Wales and other related public bodies, together with those of councils and other local government bodies. The Auditor General also reports on these organisations' use of resources and suggests ways they can improve.

The Auditor General carries out his work with the help of staff and other resources from the Wales Audit Office, which is a body set up to support, advise and monitor the Auditor General's work.

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We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.