

Review of the Strategic Renewal Portfolio – Powys Teaching Health Board

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Summary report

Introduction

- 1 The last two years have been incredibly difficult for health bodies and the huge task of recovering from the COVID-19 pandemic is underway. For Powys Teaching Health Board (the Health Board), the future direction is not just about recovering to pre-pandemic ways of working, but about building on those recovery processes and simultaneously delivering transformation in the areas of work which matter most to the Powys population. In Powys, this transformation agenda is known as 'renewal'.
- 2 Recovery and renewal are both parts of the Health Board's vision to improve processes, patient experience and cost. A portfolio was developed to manage the priorities going forward, and in June 2021, the Board agreed six renewal priorities. At the time, the Health Board was in an annual planning cycle as longer-term planning had been suspended due to the pandemic. These priorities formed part of its Annual Plan 2021-22 and were approved by the Board on 29 June 2021.
- 3 The renewal priorities were based on the Health Board's internal appraisal of the impacts of the pandemic and priority needs of the Powys population. They build on the principles of 'A Healthy Caring Powys' and the Health Board's plan to ensure a focus on those things that matter most to the wellbeing of the population of Powys and those things which will work best to address the critical challenges ahead.
- 4 The six renewal priority areas identified were:
 - Frailty & Community Model;
 - Long-term Conditions and Well-being;
 - Diagnostics, Ambulatory and Planned Care;
 - Advice, Support and Prehabilitation;
 - Children and Young People; and
 - Tackling the Big Four (Cancer, Breathe Well, Circulatory, Mental Health).
- 5 However, in September 2021, the long-term conditions priority was removed from the portfolio. There had been several meetings to define the long-term conditions scope but overlaps with other areas risked duplication.
- 6 Our work looked at how the Health Board is using its resources to recover and transform following the COVID-19 pandemic. We reviewed how the priorities had been set, and whether the delivery and monitoring arrangements established to manage the renewal portfolio are effective.
- 7 The fieldwork for our review took place between November 2021 and March 2022. During this time, the Health Board was delivering a significant programme of mass vaccination for Powys residents, as well as managing the impact of the omicron variant. As a result, the progress of the renewal portfolio work was interrupted, and staff resources diverted to focus on the Health Board's COVID-19 response. We have taken this into account within the review.

Key messages

- 8 Overall, we found that, the Strategic Renewal Portfolio priorities were developed effectively and align with longer-term ambitions. However, the purpose and progress of the portfolio should be more clearly articulated, and the governance arrangements are potentially disproportionately large to the scale of work being delivered.
- 9 The strategic renewal priorities were developed effectively and align to the Health Board's ambitions; however, the purpose of the portfolio needs to be clarified to allow for sufficient scrutiny and challenge.
- 10 Robust governance arrangements are in place for the renewal priorities; however, these may be disproportionate to the scale of work being delivered and there is a risk that the agile nature of the renewal portfolio means core aims of the project become lost.
- 11 Key points of progress and outcome measures are regularly reported to relevant committees, however, there is scope for the progress to be less narrative and show clearer links to the Health Board's strategic aims.

Recommendations

- 12 Recommendations arising from this audit are detailed in **Exhibit 1**. The Health Board's organisational response to these recommendations will be summarised in **Appendix 1** once considered by the relevant committee.

Exhibit 1: recommendations

Recommendations

Independent member oversight

- R1 Independent members were engaged in the development of the Annual Plan for 2021-22 and the renewal priorities. However, since this time there has been a change in the independent member cadre. The Health Board should refresh the independent member awareness. This would ensure new and existing members have continued ownership, knowledge, and challenge.

Recommendations

Chairing

R2 The Chief Executive currently chairs both the Renewal Strategic Portfolio Board (RSPB) and the Renewal Portfolio Core Group (RPCG) which are both decision-making groups. To enable better delegation and ownership to senior executives and allow the Chief Executive and independent members to challenge senior executives more effectively and independently, we recommend that the Chief Executive does not act as Chair for one, or both groups.

Governance Structures

R3 The stand-alone governance structure in place for the renewal portfolio is disproportionately large when compared against the scale of the individual programmes/projects and associated funding. We recommend that the Health Board either streamlines the governance structure, or uses the structure to support other projects, including the wider delivery of the Integrated Medium Term Plan.

Scope Creep

R4 The renewal portfolio is constantly being reviewed and developed, allowing for an agile approach but there is a risk that the core aims of the portfolio are lost. We recommend that the Health Board remains alert to the core aims of the renewal portfolio, and that these are adhered to as they try and remain flexible to project need.

Delivery monitoring

R5 Whilst reporting provides a strong narrative on the progress made in delivering the renewal priorities, the links between the key actions, progress made and the impact on outcomes are not apparent. We recommend that the Health Board strengthens its reporting by:

- a. revisiting key actions and milestones to ensure they are clearly defined, can be measured effectively, and have smart links to the wider strategic vision; and
- b. introducing a tracker report which clearly sets out actual progress against planned activity, and an RAG rating system to help identify challenges and issues.

Detailed report

The strategic renewal portfolio priorities were developed effectively, however, there is scope to refresh independent member awareness, and refine outcome measures

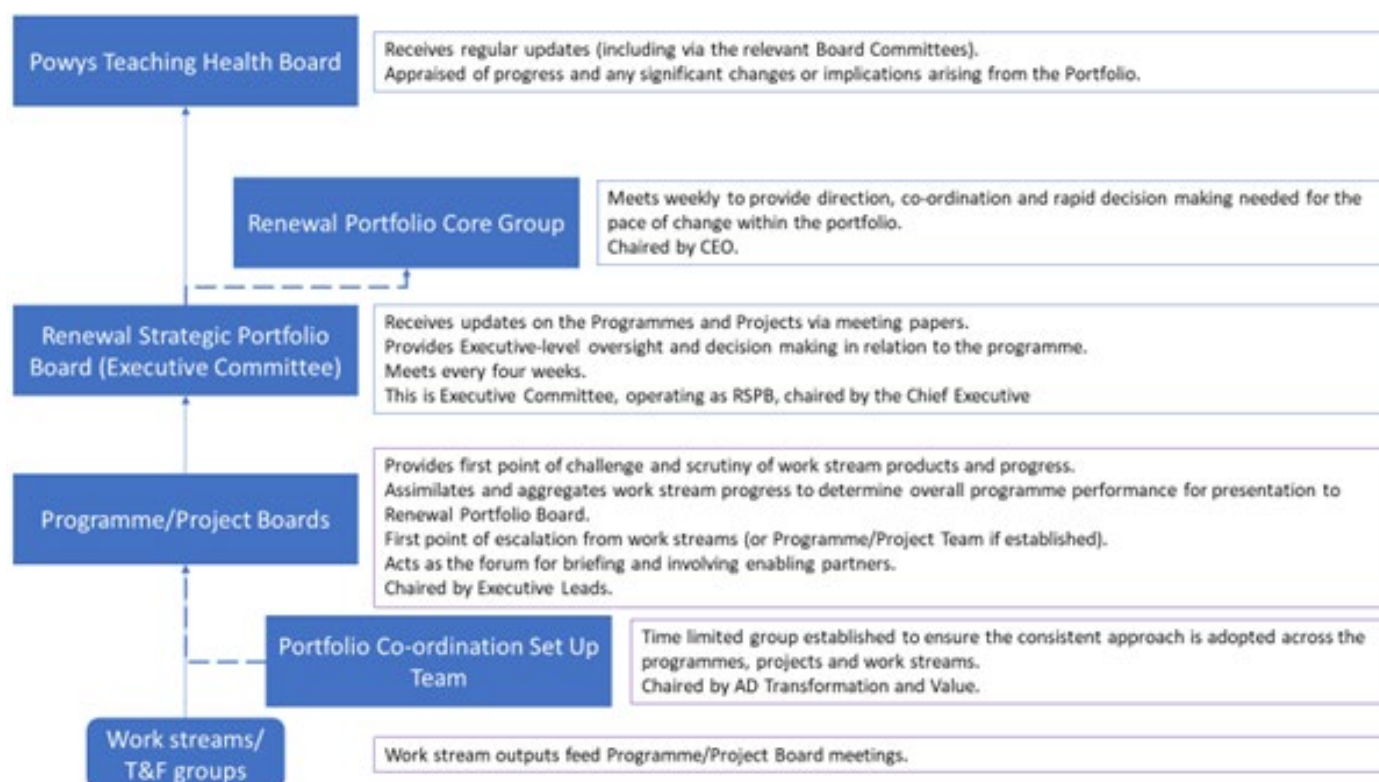
- 13 The strategic renewal portfolio priority areas were selected following internal reviews to assess the impacts of COVID-19 on the population of the Health Board. This work commissioned by the Health Board in March 2021 was used to identify harms from COVID-19, as well as identifying areas that had worked well during the pandemic with a view to introducing those revised ways of working. Following this, the Health Board developed the six strategic renewal priorities.
- 14 The strategic renewal portfolio priorities are ambitious and future focused. They are clearly aligned to the Health Board's ten-year vision for health and care in Powys. This vision is set out in the Health and Care strategy published in March 2017, in partnership with the local authority.
- 15 Value based healthcare is a key feature of the renewal portfolio, which has progressed positively and is embedded throughout the priorities. A dedicated programme for this was established in September 2021, led jointly by the Medical Director and Director of Finance and ICT. Recruitment of a Service Transformation Manager, an analyst and costing accountant has also been undertaken. In June 2022, the Health Board confirmed that work was underway analysing low value interventions, and developing patient reported outcome and experience measures. However, there are recruitment challenges in some areas such as pharmacy which are affecting the programme's capacity.
- 16 Running alongside the priorities identified within the renewal portfolio is the Health Board's approach to recovery from COVID-19. The Health Board intends to deliver and monitor recovery of its services alongside its focus on renewal as twin tracks. This means simultaneously planning and resourcing, and delivering both aspects concurrently.
- 17 The day-to-day work of the Health Board, the recovery from COVID-19 and the introduction of the renewal portfolio make for complex and multi layered delivery. Whilst the staff who are included in the design and delivery of these projects will be clear on the interdependencies and purpose of the work, it can become confusing and difficult to monitor impact for those who are not directly involved.
- 18 Independent members were consulted upon the development of the renewal portfolio as it was also included as part of the development of the 2021-22 Annual Plan agreed in June 2021. However, part of the role of independent members is strategic development and had they been involved at an earlier stage, this would have resulted in more ownership, knowledge and challenge of the renewal portfolio which drives improvement. Since this time there has been a change in the independent member cadre. The Health Board should therefore take the

opportunity to refresh the awareness of independent members of the portfolio
(Recommendation 1).

Effective arrangements are in place to deliver the planned strategic renewal portfolio priorities, with some notable successes, however, governance structures are disproportionately large, and recruitment remains challenging

19 The Health Board has established a robust governance structure for the operational day to day running of the programmes/projects which exist under each priority, and effective oversight of the strategic renewal portfolio is in place. This is outlined in **Exhibit 2.**

Exhibit 2: Renewal Portfolio Governance Structure



Source: Powys Teaching Health Board

- 20 The Renewal Strategic Portfolio Board (RSPB) was established at the end of Quarter 1 2021-22. The RSPB is made up of the Executive Committee and is chaired by the Chief Executive. The RSPB meets four weekly and provides oversight and decision making.
- 21 There is also a Renewal Portfolio Core Group (RPCG) meeting weekly to drive rapid decision making and direction to maintain the pace of change desired. The Chief Executive also chairs this group.
- 22 Both groups have operated well, however, the Health Board may wish to consider whether governance and scrutiny would be improved by the Chief Executive not acting as chair for both groups. This could enable better delegation and ownership to senior executives and allow the Chief Executive and independent members to challenge senior executives more effectively and independently.
(Recommendation 2).
- 23 As described in **Exhibit 2**, each priority sitting underneath the strategic renewal portfolio has a programme or project board, and these have met routinely. These programme/project boards are chaired by the nominated executive lead for that priority. Agendas and papers are available and describe the work of the programme/project. The programmes are supported by risk registers and action logs, as well as detailed project plans which outline the activities. Risks that are identified by the renewal programmes/projects are escalated to the RSPB. Staffing challenges feature on both the programme/project and strategic renewal portfolio risk registers. There are plans in place to try to develop more creative workforce models to address capacity gaps.
- 24 The Health Board has used some of the additional monies received from the Welsh Government to support recovery from the COVID-19 pandemic¹ to recruit two transformation managers (two were already in post), who support the operational teams in transforming ways of working. The Health Board has since funded these substantively and they are now permanent staff members who will effectively support operational teams to make changes and develop new ways of working. The positive investment in these resources will help support the strategic objectives of the Health Board longer term.
- 25 The work contained within the renewal portfolio covers a broad spectrum of the Health Board business but within it are specific programmes/projects. The scale of these programmes/projects is reflected in the monies allocated which overall is only a small proportion of the Health Board's global budget. Conversely, the governance infrastructure is substantial and has added a number of additional meetings to diaries which could create additional work for staff members in relation to reporting and attendance at meetings, who are already under significant pressure. There is an opportunity for the Health Board to review the governance structures and assess whether the arrangements are disproportionate to the

¹ The Health Board received a total of £3 million in additional monies to support recovery from the COVID-19 pandemic.

current scale of work which is being delivered within them. There could be scope for the existing governance structures to support other projects, such as the wider delivery of the Integrated Medium Term Plan (IMTP) **(Recommendation 3)**.

- 26 The renewal portfolio is intended to redesign and provide whole pathway transformational change to the areas identified within it. There is acknowledgment that there are differing timescales for the work under the renewal portfolio and that whilst some aspects will be achieved quickly, some will take long-term transformational change. This is clearly articulated in the Health Board's 2022-2025 IMTP.
- 27 Although the renewal portfolio was started in June 2021, there has been some delays in delivery and progress due to the unprecedented demand of COVID-19 and the Health Board's need to respond including the mass vaccination effort during winter 2021. Recruitment to posts needed within the strategic renewal portfolio, however, has been the main barrier, and the analysis of spending to date shows that recruitment delays or inability to recruit are the main issues. The short-term and non-recurrent nature of some funding has also been a barrier.
- 28 Despite the challenges, reporting has been undertaken in line with the governance requirements and work is underway in a range of projects which have already shown progress, particularly within the 'Breathe Well' priority. The latest May 2022 update to the Delivery and Performance Committee of the Health Board outlined several achievements including in-sourcing additional capacity for pre-operative assessment, and outpatient appointments in general surgery, oral surgery, and endoscopy. There were other achievements such as the establishment of the cancer renewal team, and appointment of the clinical lead and cancer tracker. A clinical-led harm-review panel for cancer breaches has also been established.
- 29 The Health Board is constantly reflecting on the design of the renewal portfolio which is developing as work progresses. As mentioned previously, the long-term conditions priority was removed from the overall renewal portfolio due to scoping challenges. This allows the project to be agile, however, this agility needs to be carefully managed as there is a risk that the portfolio loses sight of its core objectives. **(Recommendation 4)**.

Arrangements for monitoring and providing assurance on delivery of the strategic renewal programme need to be strengthened

- 30 When established, each renewal priority area had its own Project Initiation Document (PID) with a set of year-one milestones. The progress against these milestones has been reported to the RSPB as well as updates being provided to the Health Board's Delivery and Performance Committee and Board.
- 31 In the performance report section of the Annual Report 21-22 presented to the Delivery and Performance Committee in May 2022, there is a section on renewal.

This provides helpful narrative updates in relation to each priority with 'Key Points of Progress'.

- 32 The updates also include the intended key outcome measures, although it is not clear from the current position whether the renewal priorities are on track to deliver those outcomes. Since our work, the outcome measures have now been amalgamated into the 2022-2025 IMTP, and the renewal priorities now underpin the strategic priorities and key actions in the delivery plan which supports the IMTP.
- 33 The May 2022 meeting of the Delivery and Performance Committee also had the 'Overview of Renewal Strategic Portfolio Developments' report. The key actions are listed and beneath is a narrative setting out what has been achieved. Whilst the narrative is useful to understand activity, it has no tracker to establish whether those achievements have moved the project forward. There is also another section setting out the expected milestones by the Welsh Government of the Health Board's recovery proposals, with columns for activity undertaken and the current position. Again, it is unclear how these link to the key actions of the respective portfolio area.
- 34 Going forward, the Health Board has developed a maturity matrix² (based on a scale of 1 to 5) to help assess the development of the programmes over the next three years. In May 2022, the Health Board assessed its programmes against this matrix, and all were around level 2 or 3, except for the 'Breathe Well' priority with a score of 3 to 4 and the 'Mental Health' priority which had yet to be assessed.
- 35 Whilst the maturity matrix is a welcome assessment, updates would benefit from a tracker which showed actual progress against planned activity and an RAG rating which would be helpful to assess momentum and success. Reporting would also benefit from clarity around the key actions and what impact they will have. It is currently difficult to tell whether the current actions are the right ones to support the measures and the golden thread from activities to key actions to strategic objectives is not apparent. This would also demonstrate how the work relates to the wider IMTP and strategic direction. Reporting could then be lifted a level with the assurance that the operational work has smart links to strategic vision. This would also enable better scrutiny and challenge. **(Recommendation 5)**.

² The maturity matrix is based on a scale of 1 to 5 and considers five aspects of the programme – purpose and governance, process, collaboration, outcomes, and future development.

Appendix 1

Organisational response to audit recommendations

Exhibit 3: organisational response

Recommendation	Organisational response	Completion date	Responsible officer
<p><u>Independent member oversight</u> R1 Independent members were engaged in the development of the Annual Plan for 2021-22 and the renewal priorities. However, since this time there has been a change in the independent member cadre. The Health Board should refresh the independent member awareness. This would ensure new and existing members have continued ownership, knowledge, and challenge.</p>	<p>There is an induction process for new Independent Members, including meeting lead Executive Directors and other officers involved in renewal programmes.</p> <p>Regular papers have been submitted to the Board and Committees of the Board on the progress of the renewal portfolio and individual programmes, in accordance with the Board work programme, providing an opportunity for new and existing Members' continued ownership, knowledge and challenge. There has also been relevant discussion within informal Board development sessions.</p> <p>Progress against deliverables identified in the IMTP are reported to the Delivery and Performance Committee and Board on a quarterly basis.</p> <p>Thus, via the induction process, regular updates to the Board, IMTP reporting and informal Board development sessions Independent Member awareness have been refreshed.</p>	<p>December 2022 Complete</p>	<p>CEO</p>

Recommendation	Organisational response	Completion date	Responsible officer
<p><u>Chairing</u></p> <p>R2 The Chief Executive currently chairs both the Renewal Strategic Portfolio Board (RSPB) and the Renewal Portfolio Core Group (RPCG) which are both decision-making groups. To enable better delegation and ownership to senior executives and allow the Chief Executive and independent members to challenge senior executives more effectively and independently, we recommend that the Chief Executive does not act as Chair for one, or both groups.</p>	<p>The renewal portfolio was established at pace, in order to meet the challenges of recovery and renewal arising from the pandemic. Earlier waves of the pandemic resulted in work needing to be undertaken in some instances in very short timescales. The Core Group, chaired by the Chief Executive Officer, was covered in the approved Portfolio Initiation Document and ensured strengthened governance where, for example, responses were required to Welsh Government in less than a working week which would otherwise would have resulted in individual officers having to respond.</p> <p>The Core Group was not dislocated from the strategic portfolio board and hence they were both chaired by the CEO for continuity.</p> <p>Since the fieldwork in March 2022 governance arrangements have had to be further amended to ensure an agile and appropriate response to the differing phases of recovery needed. The Core Group is no longer meeting, and it has not met since September 2022. The renewal portfolio board is now incorporated into the Executive Committee Transformation and Value group.</p>	<p>September 2022 Complete</p>	<p>CEO</p>

Governance Structures

R3 The stand-alone governance structure in place for the renewal portfolio is disproportionately large when compared against the scale of the individual programmes/projects and associated funding. We recommend that the Health Board either streamlines the governance structure, or uses the structure to support other projects, including the wider delivery of the Integrated Medium Term Plan.

The fieldwork was undertaken in March 2022 when a number of programmes which were relatively new had to be suspended in order to respond to mass vaccination and the Omicron variant, for example, the work in relation to insourcing to address the planned care backlog in Powys had been ready to start in December 2021, but then had to be urgently deferred to Q4 due to Omicron. It was subsequently re-established successfully but work had to continue into Q1 2022.

As reported to the Board and its committees the work of the renewal portfolio has subsequently included successfully addressing backlogs in Powys related to endoscopy and day surgery using insourcing; a clinical cancer lead was secured; FIT testing was successfully rolled out for the whole of primary care in Powys, for which internal audit found there was substantial assurance; access to rapid diagnostic centres was extended; a draft diagnostic strategic intent has been developed; work has been taken forward to respond to Getting It Right First Time Reviews of planned care for orthopaedics, gynaecology and general surgery; all Powys patients on Powys waiting lists were contacted as part of work on advice, support and prehabilitation; work has been undertaken to prepare for new techniques such as transnasal endoscopy; a community cardiology pilot has been implemented; work in relation to falls pathway has been undertaken; drive through spirometry cleared a backlog of 141 patients and identified that a third of future referrals could be avoided; oxygen reviews were undertaken and 45% of patients had clinically inappropriate equipment removed; new physiology capacity and capital equipment was secured enabling the

October 2022
(complete with the establishment of the Transformation and Value Group of Executive Committee.)

CEO

setting up of lung function testing and the repatriation of some sleep clinic activity; there was strengthening of respiratory MDT work resulting in 40% of a secondary care consultant backlog in relation to follow-up being addressed; virtual pulmonary rehabilitation was used successfully to address delays; cross cutting work on redesigning rehabilitation to join together a generic core with condition-specific elements was undertaken; and there has been significant progress in addressing the paediatric neurodevelopment backlog.

As the renewal portfolio matured it has moved into whole system sustainability and there have been resulting changes to governance, including broadening the focus to the Transformation and Value Executive Committee.

Recommendation	Organisational response	Completion date	Responsible officer
<p><u>Renewal Portfolio Scope Creep</u></p> <p>R4 The renewal portfolio is constantly being reviewed and developed, allowing for an agile approach but there is a risk that the core aims of the portfolio are lost. We recommend that the Health Board remains alert to the core aims of the renewal portfolio, and that these are adhered to as they try and remain flexible to project need.</p>	<p>Individual programmes have Programme Initiation Documents and adhere to programme governance arrangements.</p> <p>However, there has been a need to respond to new requirements including from Welsh Government in the period.</p> <p>An action will be taken to ensure all Programme Initiation Documents are up to date by 31 March 2023.</p>	<p>31st March 2023</p>	<p>CEO</p>

Recommendation	Organisational response	Completion date	Responsible officer
<p><u>Delivery monitoring</u></p> <p>R5 Whilst reporting provides a strong narrative on the progress made in delivering the renewal priorities, the links between the key actions, progress made and the impact on outcomes are not apparent. We recommend that the Health Board strengthens its reporting by:</p> <ul style="list-style-type: none"> a. revisiting key actions and milestones to ensure they are clearly defined, can be measured effectively, and have smart links to the wider strategic vision; and b. introducing a tracker report which clearly sets out actual progress against planned activity, and an RAG rating system to help identify challenges and issues. 	<p>At the time of the audit fieldwork a number of renewal programmes had been established less than six months and some were subject to ongoing disruption due to the Omicron variant. These factors impacted on the ability of the affected programmes to deliver planned activity and associated outcomes.</p> <p>This has predominantly been a timing issue as work undertaken after the field visit in March 2022 has shown demonstrable positive outcomes such as the insourcing undertaken under the Diagnostics, Ambulatory and Planned Care Programme; the work under the Breathe Well Programme including the modernisation of follow-up, virtual pulmonary rehabilitation; the clearance of the spirometry backlog, the oxygen reviews; and the roll out of FIT testing in Powys under the Cancer Programme.</p> <p>The IMTP delivery plan quarterly reporting process has been strengthened, including the relevant renewal actions, and includes RAG rating against delivery plan milestones.</p>	<p>Complete October 2022</p>	<p>2 Executive Director Programme Leads</p>



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