



Meeting Date	17 November 2022	Agenda Item	2.7
Report Title	Capital Projects Control Manual		
Report Author	Mr Mark Parsons, Assistant Director Strategy - Capital		
Report Sponsor	Mrs Siân Harrop-Griffiths, Director of Strategy		
Presented by	Mr Mark Parsons, Assistant Director Strategy - Capital		
Freedom of Information	Open		
Purpose of the Report	To seek approval of the Audit Committee for the updated Capital Projects Control Manual, which has been amended to reflect the findings of recent Audit Reports, align with Procurement and Capital Finance processes and improve the governance, management and monitoring arrangements for the Capital Programme.		
Key Issues	<p>The Health Board’s capital programme is a key enabler for service development and delivery. It includes investment in physical assets such as land, buildings, equipment, vehicles and ICT across all healthcare settings.</p> <p>The process for implementing the capital programme is set out in the Capital Projects Control Manual which provides an auditable management tool for all capital projects and schemes.</p>		
Specific Action Required (please choose one only)	Information	Discussion	Assurance
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input checked="" type="checkbox"/>
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • NOTE the areas that have been added, amended or updated within the manual to reflect audit recommendations and changing processes within the Health Board. • NOTE that the manual review has involved collaboration between Capital Planning & Internal Audit to ensure that information within it is robust. • NOTE the manual had approval from Capital Management Group members on 12.10.22 		

	<ul style="list-style-type: none">• APPROVE the amended Manual for immediate adoption and use.
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Capital Projects Control Manual

1. INTRODUCTION

The Capital Projects Control Manual has recently been reviewed, the previous assessment was conducted in 2018. The manual has been updated to reflect audits' comments and recommendations on capital schemes since its previous appraisal. Capital Planning has worked in conjunction with Internal Audit on this review to ensure that the information within the manual is robust.

This report identifies the additions and changes that have been made to the manual. The manual was approved by Capital Management Group on the 12th October 2022, and now seeks the approval of the Audit Committee to adopt the document and implement the changes to existing processes with immediate effect.

2. BACKGROUND

The Health Board has maintained a Capital Projects Control Manual for many years which provides a framework for initiating and managing a capital scheme. The Manual is largely utilised by the Capital Planning department but can be accessed by anyone making a bid for capital funding and developing a business case.

The Manual was last reviewed and updated in September 2018 and since that time various audit reports have recommended strengthening the manual in certain areas to remove risks and improve the governance arrangements around the management of capital schemes. These recommendations are set out in the Audit Recommendations Report submitted to each meeting of the Audit Committee. The amendments and enhancements made to the Manual in response to these changes and recommendations include:-

- Updating the governance arrangements around the approval of the Capital Plan and Health Board reporting
- Enhancing the approvals processes in line with Audit recommendations
- Updating Capital Finance processes
- Changes to reflect amendments to Standing Orders and Financial Control Procedures
- Update to reflect the move to permit electronic signatures, brought about by remote working as a result of COVID-19
- Update to reflect changes to cost reporting mechanisms
- Consolidating processes to allow for better process flow
- Review of overall process flow of scheme development
- Correction of general formatting errors and issues.

3. GOVERNANCE AND RISK ISSUES

The proposed amendments to the Capital Project Control Manual address those areas of risk that have been identified by NHS Wales Shared Services Partnership – Audit and Assurance Services. The changes in governance arrangements resulting from Health Board wide process changes.

The review of the Capital Projects Control Manual is now been included as a standard item on the agenda for the Capital Management Group. This will allow for better monitoring of the manual and allow more timely changes to be implemented.

4. FINANCIAL IMPLICATIONS

There are no financial implications arising from this paper. The manual ensures that the agreed allocation of funds for capital investment is strategic, transparent and is delivered within an approved governance framework.

5. RECOMMENDATIONS

The Audit Committee is asked to

- **NOTE** the areas that have been added, amended or updated within the Manual to reflect audit recommendations and changing processes within the Health Board.
- **NOTE** that the manual review has involved collaboration between Capital Planning & Internal Audit to ensure that information within it is robust.
- **NOTE** the manual had approval from CMG members on 12.10.22.
- **APPROVE** the amended Manual for immediate adoption and use.

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input checked="" type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input checked="" type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input type="checkbox"/>
	Excellent Staff	<input type="checkbox"/>
	Digitally Enabled Care	<input checked="" type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input type="checkbox"/>
	Dignified Care	<input type="checkbox"/>
	Timely Care	<input type="checkbox"/>
	Individual Care	<input type="checkbox"/>
	Staff and Resources	<input type="checkbox"/>
Quality, Safety and Patient Experience		
<p>There are no immediate implications. The Capital Plan should facilitate the delivery of safe and sustainable services and improve patient experience and the adoption of the Capital Projects Control Manual will ensure the delivery of the Capital Plan is carried out in an auditable manner in accordance with the requirements of Standing Orders and Financial Control Procedures.</p>		
Financial Implications		
<p>The manual sets out how the Capital Plan will be developed and implemented and supplements and supports the requirements of Standing Financial Instructions and Financial Control Procedures.</p> <p>The manual ensures that the agreed allocation of funds for capital investment is strategic, transparent and is delivered within an approved governance framework.</p>		
Legal Implications (including equality and diversity assessment)		
<p>The manual provides a strategic framework, audit and assurance for the agreed multi million Capital programme of improvement projects / schemes. This will provide assurance to external and independent scrutiny of our agreed approach.</p>		
Staffing Implications		
<p>There are none identified as part of this review.</p>		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
<p>The development of strategic infrastructure, including building, major clinical equipment and ICT, should contribute to the delivery of safe and sustainable services over the longer term. In developing the capital programme, there are clear opportunities to be exploited regarding cross public sector collaboration and integration to facilitate more seamless health and care services.</p>		

Report History	Standing Orders requires that the Capital Projects Control Manual is reviewed and updated where required.
Appendices	<p>Appendix I Capital Projects Control Manual updated September 2022, including Appendices I and II.</p> <p>Appendix II Summary of changes to the manual.</p>