

# **Prince Charles Hospital Redevelopment: Governance Audit**

## **Final Internal Audit Report**

### **Cwm Taf Morgannwg University Health Board**

**2020/2021**

## **NHS Wales Shared Services Partnership**

### **Audit and Assurance Services**

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Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Internal Auditors.

**ACKNOWLEDGEMENT**

NHS Wales Audit & Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

**Please note:**

This audit report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit Committee.

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## 1. Introduction and Background

This audit originates from the 2020/21 integrated audit plan for the Prince Charles Hospital (PCH) Redevelopment, agreed with management and approved by the Audit Committee.

In this context, the audit sought to provide assurance on the governance arrangements in place at the Prince Charles Hospital Redevelopment.

A prior report on the governance arrangements was issued in June 2020 (delayed by the impact of Covid-19) providing **reasonable assurance**. An update on the current status of recommendations from that review were recently reported at the PCH Redevelopment: Validation of Management Action audit report (issued November 2020). This audit has been cognisant of prior reviews.

The status of each phase of the programme can be summarised as:

- Phase 1a: Work on site was certified as complete on the 11<sup>th</sup> October 2018.
- Phase 1b: The Welsh Government approved £36.237m of funding for Phase 1b on the 19<sup>th</sup> of September 2018. The project was currently midway through construction and due to complete 10<sup>th</sup> September 2021. However, the Supply Chain Partner had reviewed activities and was anticipating completion 6 weeks earlier on the 30<sup>th</sup> July 2021.
- Phase 2: The business case for Phase 2 was approved by Welsh Government in the sum of £220,060,000 (including variation of price inflation funding of £22.926m). Works on site commenced on the 30<sup>th</sup> November 2020.
- Phases 3 & 4: The remaining phases remain at a high-level planning stage; costs being estimated at £38.073m and £4.547m for Phases 3 and 4 respectively.

Noting the impact of Covid-19, the delivery of this audit and the wider integrated audit plan for 2020/21 included an increased element of remote working.

## 2. Scope and Objectives

This assignment has been actioned in accordance with the 2020/21 integrated audit plan agreed by the University Health Board.

The audit was undertaken to determine the adequacy of, and operational compliance with, the systems and procedures of the University Health Board, taking account of relevant NHS and other supporting regulatory and procedural requirements, and best practice as appropriate.

The agreed scope of the audit included:

- Assurance that governance arrangements were adequately defined as the project evolves;
- An appraisal of the adequacy of organisational and governance arrangements, ensuring that the Board were adequately informed of changes to project progress, key risks and issues (e.g. via existing committee structures);
- Assurance that the project was afforded appropriate executive ownership and leadership;
- Assurance that the resource requirement for the successful delivery of the scheme was appropriately determined, costed and applied as the project progresses;
- Assurance that key roles and responsibilities were appropriately assigned and discharged effectively;
- Consideration of the effectiveness of key forums (e.g. Project Board, Project Team);
- Confirmation on the regularity of key meetings and key attendances;
- Assurance that key supporting structures (e.g. additional work-streams) operated effectively; and
- Evidence of the timely and appropriate scrutiny and approval of key products/outputs.

### **3. Associated Risks**

The potential risks considered in the review were that the governance arrangements did not support effective decision-making, contributing to poor programme management and the failure to achieve programme objectives.

## **OPINION AND KEY FINDINGS**

### **4. Overall Assurance Opinion**

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review.

The opinion is based on the work performed as set out in the scope and objectives within this report.

An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

To date:

- The key observation was that the project continued to progress during the period of the Covid-19 response – whilst observing the requirement for social distancing, remote working and the competing pressure of the Covid-19 response on senior UHB staff.
- The programme benefited from a well-defined governance structure, which was integrated with existing UHB governance structures.
- The programme had an executive lead, with the Director of Finance assigned the Senior Responsible Officer role and was chair of the Project Board.
- The Project Board had successfully overseen the completion of Phase 1a, the ongoing delivery of Phase 1b and the formulation/ submission/ approval of the Full Business Case for Phase 2.
- There were individuals assigned to key roles that enabled the project to progress to the current stage.
- A detailed internal resource schedule had been compiled (and included at the Phase 2 full business case) to ensure sufficient funding was afforded to strengthen the internal team.
- Management had actively sought the advice of audit as part of the agreed Integrated Audit Plan.


The key risks observed at the audit that should be brought to management attention are:

- Roles and responsibilities as defined at the Project Execution Plan need to be reviewed to ensure that they accurately reflect current working arrangements. The risk is that there is ambiguity on the responsibility and accountability for key actions.
- The business case for Phase 2 identified the need for additional resource to meet client obligations. The funding for the same was approved by Welsh Government (despite being in excess of the 1% cap usually applied), but would only be released when the

appointments were made. At the time of review, despite being identified as essential to delivery, these roles remained to be filled.

- The need to implement effective internal change control arrangements to further document compliance with Standing Financial Instructions defined delegated authority.
- Identify appropriate methods of engaging clinical representation at Project Board, whilst recognising the priorities of the UHB Covid-19 response. The above is imperative in ensuring that the meetings are adequately attended and are held with sufficient frequency to assist timely decision making.





Noting the general positive overview above, it is appropriate that a **reasonable assurance** is determined.

RATING	INDICATOR	DEFINITION
Reasonable Assurance		The Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

## 5. Assurance Summary

The summary of assurance given against the individual objectives is described in the table below:

Assurance Summary					
1	Executive ownership and leadership				✓
2	Key Roles & Responsibilities			✓	
3	Effectiveness of Project Board & supporting groups			✓	

\* The above ratings are not necessarily given equal weighting when generating the audit opinion.

## Design of Systems/Controls

The findings from the review have highlighted **4** issues classified as a weakness in the system control/design.

## Operation of System/Controls

The findings from the review have highlighted **4** issues that are classified as weaknesses in the operation of the designed system/control.

## 6. Summary of Audit Findings

### Executive/ Board Leadership



**To ensure that the Board were adequately informed and that the programme was afforded appropriate executive ownership and leadership.**

The lead executive for the PCH Redevelopment Programme was the Director of Finance, who was designated as Senior Responsible Officer. The Senior Responsible Officer demonstrated active ownership and leadership of the Project.

The Board continues to receive a regular update on the overall programme and has overseen the approval of key products such as the Phase 2 original and re-market tested Full Business Case. The ongoing monitoring of the programme was overseen by the Planning, Performance and Finance committee and the Executive Capital Management Group (ECMG) which received regular updates.

Noting that Phase 2 is due to progress imminently, the reporting to ECMG could be enhanced with RAG (red, amber and green) ratings of time, cost, quality and risk to allow the group to quickly determine whether the project is progressing within control parameters (see **recommendation 1**).



Given the above is a proposed enhancement of existing reporting arrangements, **significant assurance** has been observed in this objective area.

## Key Roles & Responsibilities



**Assurance that key roles and responsibilities were appropriately assigned and sufficient resource assigned to discharge each role effectively.**

All key roles and responsibilities were defined within the Project Execution Plan. However, it was apparent that a number of key roles and responsibilities required updating to reflect current working arrangements. For example, subsequent to the previous audit, the Deputy SRO and Programme Director roles have been split between contract delivery and service responsibilities respectively (see **recommendation 2**).

A resource schedule identified within the Full Business Case (FBC) for Phase 2 identified a number of additional posts and the associated funding requirement. The request was agreed by Welsh Government, despite being in excess of the 1% cap usually applied at business cases. The funding was however conditional on the demonstration of appointments.

At the time of the current review, these posts remained to be filled. It is important that these positions are filled as a matter of priority to avoid unnecessary delay/delivery risk (see **recommendation 3**).

In support of the defined roles and responsibilities, the programme had an approved scheme of delegation from the outset – this was subsequently updated in April 2020 for major projects. Whilst, adherence to delegated limits was observed at Phase 1b to date, an associated client change proforma would strengthen this process. The same has now been implemented at Phase 2 (see **recommendation 4**).

Noting that internal change management arrangements and that associated delegated limits have not been applied at the programme to date, a **reasonable assurance** has been determined.

## Project Board & Supporting Groups



**Assurances that the project board (and supporting groups) operates effectively, with sufficient regularity and key attendances, to support effective and timely decision making.**

The key observation is that the project continued to progress during the period of the Covid-19 response – whilst observing the requirement for social distancing, remote working and the competing pressure of the Covid-19 response on senior staff.

## **Project Board**

The Project Board was chaired by the Senior Responsible Officer and continued to operate as previously observed at prior audits. The Project Board had successfully overseen the ongoing delivery of Phase 1b and gained approval to the Phase 2 Full Business Case.

Subsequent to the prior audit, the Terms of Reference had been updated to reflect the change in Senior Responsible Officer, quoracy requirements and to define the arrangements for members to send deputies.

Despite the changes above, attendance of Integrated Locality Group (ILG) representation and planning continues to be sporadic with a number of meetings in the period cancelled. This has partly been associated with a new Health Board structure based on localities being adopted and 'bedding-in'. Attendance has been significantly affected by the pressures created by the Covid-19 emergency.

The attendance of the Acute Services General Manager (PCH) has been formalised, as under the new structure, this is viewed as a key position for the project.

It has been agreed with management that attendance will be kept under review in the short term, as management hope that attendance will improve with the recent approval of the main project i.e. Phase 2. Recommendations have been suggested to reduce the burden on clinical staff (see **recommendation 5**). In the event that there is no improvement, given the significance of the programme, it will be necessary for the Board (or nominated committee) to remind parties of their responsibilities.

The Project Board received appropriate and adequate information, and the minutes were sufficiently detailed to record key scrutiny and decisions made. The timing of Project Board had been aligned with the Financial Review Group and WG return dates to ensure that information considered was current/consistent. However, depending on when the Project Board meeting falls, this can result in a shortened period between issue of papers and the meeting. Management has agreed to review the scheduled meetings for 2021/22 in order to ensure adequate time for financial papers to be disseminated (see **recommendation 6**).

## **Service Project Team**

The Service Project Team was chaired by the Programme Director and was responsible for supporting the Project Board in the timely achievement of all service related aspects as specified at the business cases. It was observed that the Service Project Team was also poorly attended, however the membership as defined at the terms of reference is considered excessive (20 members) and potentially inhibits its function. To be quorate, the terms of reference require no less than 5 core group members to be present – the concern is that this could be achieved without key representation e.g. clinical, financial etc. (see **recommendation 7**).

### **Progress Meetings**

These meetings were chaired by the Project Manager and were focused on the contract and construction delivery. The Meetings were attended by the UHB, relevant personnel from the SCP, CDM principal designer and other external advisers.

These were well attended, held with sufficient frequency and included appropriate coverage. An action log should be introduced with details of the proposed action, the lead and expected timeline to resolve (noting some issues have been outstanding for some time e.g. BREAM letter and PIF process) - (see **recommendation 8**).

### **Financial Review Group**

The group was chaired by the Deputy Senior Responsible Officer and attended by the Capital Planning Manager and external advisers providing financial scrutiny and reconciling internally and externally generated financial cost information. The group operated effectively with oversight of financial cost monitoring.

Given the general observations above, a **reasonable assurance** is determined.

## **7. Summary of Recommendations**

The audit findings, recommendations are detailed in **Appendix A** together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

<b>Priority</b>	<b>H</b>	<b>M</b>	<b>L</b>	<b>Total</b>
<b>Number of recommendations raised</b>	1	3	4	<b>8</b>
<b>Actioned since fieldwork</b>	-	1	-	<b>1</b>
<b>Number of recommendations to address</b>	1	2	4	<b>7</b>

Finding 1: ECMG Reporting	Risk
<p>The ongoing monitoring of the PCH programme was overseen by the Planning, Performance and Finance committee, with operational responsibility resting with the Executive Capital Management Group (ECMG).</p> <p>The Deputy Senior Responsible Officer provided regular input on the PCH Programme to be included within more general reporting on the Major Capital Programme.</p> <p>Noting that Phase 2 is due to progress imminently, the reporting to ECMG could be enhanced with RAG (red, amber and green) ratings of time, cost, quality and risk to allow the group to quickly determine whether the project is progressing within control parameters – with a comparison against the previous period RAG rating (see <b>recommendation 1</b>).</p>	<p>Reporting is not sufficient and appropriate to support management decision making.</p>
Recommendation 1	Priority level
<p>Reporting to ECMG should provide RAG ratings for this and the prior period against key criteria such as time, cost, quality and risk (D).</p>	<p><b>Low</b></p>
Management Response 1	Responsible Officer/ Deadline
<p>Agreed.</p> <p>Future reporting will utilise existing Capital Review Meeting notes with the addition of RAG for sectional completions as detailed by PM progress report.</p>	<p>Deputy SRO March 2021</p>

Finding 2: Roles & Responsibilities	Risk
<p>Key roles and responsibilities are defined within the Project Execution Plan.</p> <p>The following changes were noted against that defined at the Project Execution Plan:</p> <ul style="list-style-type: none"> <li>• The Senior Responsible Officer role has been re-assigned;</li> <li>• Deputy Senior Responsible Officer role needs updating to include construction related responsibility (as per Project Board terms of reference);</li> <li>• To reassign advisor performance responsibility from Programme Director role;</li> <li>• The Finance lead has changed;</li> <li>• The Assistant Director of Capital &amp; Estates role needs reviewing; and</li> <li>• Key NWSSP representatives have changed.</li> </ul> <p>Whilst the above requires clarification, it is important to note that the audit observed that all responsibilities were being discharged, but not necessarily by those identified in the Project Execution Plan. A revisit and confirmation of these responsibilities should affirm the arrangements observed at the audit.</p>	<p>Key responsibilities and accountabilities are not assigned to those best placed to implement them.</p>
Recommendation 2	Priority level
<p>Key roles and responsibilities should be defined at the Project Execution Plan as the main point of reference (D).</p>	<p><b>Low</b></p>
Management Response 2	Responsible Officer/ Deadline
<p>Agreed.</p> <p>Whilst individuals are performing the expected roles, the corresponding documentation will be updated.</p>	<p>Deputy SRO March 2021</p>

Finding 3: Resource	Risk
<p>Good practice is noted that the Full Business Case for Phase 2 included a fully costed resource schedule and was agreed through NWSSP-SES scrutiny and Welsh Government. This resource was for existing internal resources (£1.88m) and additional staff required (£1.49m) to assist in the successful delivery of this project. The case presented was in excess of the 1% generally agreed by Welsh Government for internal resource.</p> <p>The Welsh Government funding approval for additional staff was conditional upon demonstration of appointments. Accordingly, if not realised, the associated funding would be lost.</p> <p>At the time of the review, the required posts had not been filled.</p>	<p>The internal resource is insufficient to meet the UHB contractual requirements, resulting in time/ cost implications.</p>
Recommendation 3	Priority level
<p>Appropriate arrangements will be made to ensure that vacancies identified within the resource schedule are filled as a matter of priority (O).</p>	<p><b>High</b></p>
Management Response 3	Responsible Officer/ Deadline
<p>Agreed.</p> <p>All of the appointments for additional resources are progressing and the Senior Responsible Officer has confirmed that all are permanent positions (Noting that the appointments are for a 5.5 year construction programme and employment rights become permanent due to this duration). Responsibility for the appointments rests with</p>	<p>Deputy SRO to coordinate and escalate as necessary.</p> <p>March 2021</p>

departmental heads to progress these positions with assistance from the Major Projects Unit.	
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Finding 4: Delegated Limits	Risk
<p>Delegated limits at projects/ programmes are utilised to provide control over time and cost implications of changes. The delegated arrangements for the PCH Redevelopment Programme were defined within the Standing Financial Instructions: Schemes of Delegation, and were amended in April 2020 as follows:</p> <ul style="list-style-type: none"> <li>• Internal Project Manager up to £5k;</li> <li>• Ass. Director of Planning - £100k;</li> <li>• Project Director - £100k;</li> <li>• Director of Finance - £250k; and</li> <li>• Project Board over £250k.</li> </ul> <p>At major projects, it is usual that an internal change management process is developed to record internal approvals and to demonstrate compliance with the above. An internal change management process was not observed in relation to the £6,281,108 of changes to date at Phase 1b.</p> <p>Management provided an assessment of the Phase 1b changes to date as follows:</p> <ul style="list-style-type: none"> <li>• Subsequent to the revision of SFIs in April 2020, there have been five changes in excess of £100k (i.e. requiring escalation to the SRO and/or Project Board). The Project Board was fully appraised of each.</li> <li>• Of the total changes to date (£6,281,108), a significant element relates to inflation, costs relating to Covid, release of provisional sums and key decisions made by the Executive Team/ Board (totalling £3,677,226). The Project Board was also specifically appraised of a further four significant changes in excess of £50k totalling £1,258,000.</li> </ul>	<p>Project changes are not controlled, impacting time and cost objectives.</p>



<ul style="list-style-type: none"> <li>All changes have been consistently reported to Project Board as part of the financial report.</li> </ul> <p>Further detail of the assessment is provided at <b>Appendix C</b>.</p> <p>Appropriate internal change control arrangements to document timely and appropriate approvals in accordance with Standing Financial Instructions.</p>	
<b>Recommendation 4</b>	<b>Priority level</b>
Internal change control arrangements (PIF) should be introduced to demonstrate compliance with Standing Financial Instructions (O).	<b>Medium</b>
<b>Management Response 4</b>	<b>Responsible Officer/ Deadline</b>
Actioned since audit fieldwork.	N/A

Finding 5: Project Board Decision Making	Risk
<p>The role of the Project Board is defined within the terms of reference as:</p> <p><i>"The purpose of the Project Board is to formally support the development and delivery of the business cases and associated programme of physical estate improvements required to support the timely lifting of the Fire Enforcement Notice (FEN) placed upon the ground and first floor areas of Prince Charles Hospital."</i></p> <p>The terms of reference were last reviewed in March 2020, aimed at improving attendance and representation at the Project Board.</p> <p>In the interim period, clinical focus has shifted to the UHB Covid-19 response and impacting the attendance and frequency of Project Board meetings (4 of last 10 meetings cancelled).</p> <p>It is apparent that alternative arrangements are required to ensure that the Project Board can discharge its responsibilities.</p>	<p>The Project Board fails to meet its obligations.</p>
Recommendation 5	Priority level
<p>The Deputy Senior Responsible Officer will continue to monitor Project Board attendance (O)</p>	<p><b>Medium</b></p>
Management Response 5	Responsible Officer/ Deadline
<p>Agreed.</p> <p>The attendance at Project Board will continue to be monitored. Attendance at the last Project Board (January 2021) was quorate with senior representation from the ILG and</p>	<p>Deputy SRO to continue to monitor March 2021</p>

planning department. The Health Board recognise the pressures that the Covid pandemic has placed on all individuals to date and emerging structural re-organisation on a locality basis. At the last meeting it was identified that certain strategic decisions were not within the gift of the Project Board and required escalation to Chief Executive and other key individuals. This has been promptly recognised and actioned with an initial meeting being arranged to discuss over-arching Health Board considerations that may have an impact on the project. To this extent attendance has improved (noting that Phase 2 is now 'real' and not something that has had a number of false dawns) and equally recognises its limitations on over-arching matters and escalates accordingly.

Finding 6: Project Board Papers	Risk
<p>The Project Board terms of reference state:</p> <p><i>"The Chair will be the Director of Finance as Senior Responsible Officer (SRO) for the programme and the Construction Delivery Lead (Technical) and Programme Director (Service) will be responsible for co-ordinating the meetings and developing agendas and papers for circulation in the week prior to the meeting."</i></p> <p>The timing of the Project Board had been deliberately aligned with the Financial Review Group meetings to ensure consistent/timely reporting – including WG dashboard returns.</p> <p>Only 6 of the last 10 meetings were held, and the papers for each were received in the week prior to the meeting as required by the terms of reference. In certain instances, this may be only a few working days apart.</p>	<p>Insufficient time to consider papers ahead of Project Board.</p>
Recommendation 6	Priority level
<p>Timing of Project Board meetings will be reviewed in order to ensure there is adequate time for financial papers to be disseminated (O).</p>	<p><b>Low</b></p>
Management Response 6	Responsible Officer/ Deadline
<p>Agreed.</p> <p>Depending on when the Project Board falls, it can result in a shortened period for the issue of papers following the Financial Review Group and WG dashboard return. The schedule of Project Board meetings for 2021/22 will be reviewed so that impacted meetings are re-arranged.</p>	<p>Deputy SRO March 2021</p>

Finding 7 & 8: Supporting Groups	Risk
<p><b><u>Service Project Team:</u></b></p> <p>The Service Project Team was chaired by the Programme Director and is responsible for supporting the Project Board in the timely achievement of all service related aspects as specified at the business cases. It was observed that the Service Project Team was poorly attended, however the membership as defined at the terms of reference is considered excessive (20 members) and potentially inhibits its function.</p> <p>To be quorate, the terms of reference require no less than 5 core group members to be present – the concern is that this could be achieved without key representation e.g. clinical, financial etc.</p> <p><b><u>Progress Meetings</u></b></p> <p>The Progress Meetings were chaired by the Project Manager and were focused on the contract and construction delivery. The meetings were attended by the UHB technical officers, relevant personnel from the main contractor, CDM principal designer and other external advisers.</p> <p>These were well attended, held with sufficient frequency and included appropriate coverage. The minutes reviewed included rolling actions demonstrating very little progress (e.g. BREAAAM letter and PIF process), accordingly the meeting would benefit from the introduction of an action plan.</p>	<p>Established groups fail to support the Project Board in effective monitoring and decision making.</p>
Recommendation 7 & 8	Priority level
<p>7. The Service Project Team membership and quorum should be reviewed (D).</p>	<p><b>Medium</b></p>

8. An action log should be introduced for the progress meetings with details of the proposed action, the lead and expected timeline to resolve (D).	<b>Low</b>
<b>Management Response 7 &amp; 8</b>	<b>Responsible Officer/ Deadline</b>
7. Agreed. The membership and quorum will be reviewed. In terms of membership, there was no formal ILG site structure previously which to explains the wide reaching membership that has been required. The quorum will likely involve the Core Planning Team members of the group and will be extended to include clinical representation. 8. Agreed.	Programme Director March 2021

## Appendix B: Audit Assurance Ratings



**Substantial assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.



**Reasonable assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.



**Limited assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.



**No Assurance** - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

## Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
<b>High</b>	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

\* Unless a more appropriate timescale is identified/agreed at the assignment.

## Appendix B: Changes Management at Phase 1b

### PMI's in excess of £100k following revised SFI's in April 20220

PMI	Date	Value 000's	Reason	Comments
147	26/06/2020	335	Costs arising from Covid pandemic	Full compliance with NWSSP-SES/Welsh Government processes. Project Board fully appraised
158	31/07/2020	118	NEDO	Contractual mechanism but none the less covered by PMI. Verified by SES. Project Board appraised.
161	07/08/2020	123	NEDO	Contractual mechanism but none the less covered by PMI. Verified by SES. Project Board appraised.
165	14/08/2020	123	CT scanner	Approved by Welsh Government. CTMUHB top priority. Project Board appraised.
180	16/10/2020	180	NEDO	Contractual mechanism but none the less covered by PMI. Verified by SES. Project Board appraised.

### Management Assessment of PMI's in excess of £100k:

	(£)	Notes
<b>Total Changes</b>	<b>6,281,108</b>	
Inflation	953,392	Contractual requirement Project Board/Welsh Government fully appraised.
Covid-19 related costs	423,377	Project Board/SES/Welsh Government fully appraised.
Phase 2 (virement)	697,813	Executive Board approval provided.
<b>Sub-total</b>	<b>4,206,526</b>	
CT scanner	123,000	Main Board priority.
Portakabins	245,000	Executive Board approval
Provisional Sums	1,234,644	Contract entered into on this basis of future release of these amounts.
	<b>2,603,882</b>	
Other Changes over £50k:		
Asbestos in ground	862,000	The Project Board was fully appraised
Structural bracing	143,000	The Project Board was fully appraised
Kitchen equip. change	180,000	The Project Board was fully appraised
Emergency lighting spec	73,000	The Project Board was fully appraised
	<b>1,345,882</b>	