Archwilio Cymru
Audit Wales

Digital Transformation

Hywel Dda University Health Board

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Contents

Audit snapshot

What we looked at

1 We looked at how Hywel Dda University Health Board's (the Health Board) approach to digital transformation is supporting service improvement. This included the approach to strategy, leadership and skills development. And we considered how the organisation manages risks around digital infrastructure, cyber resilience and artificial intelligence.

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 and ambitious approach to digital transformation, supported by strong leadership and an established strategic plan. Board oversight of digital transformation is effective, but assurance could be strengthened by consolidating information on the outcomes and impact of engagement across digital projects. While the Health Board is committed to investing in digital transformation, as evidenced through its 10-year strategic partnership with an external specialist, limited funding poses a risk to the delivery of strategic priorities.

6 The Health Board is actively progressing a range of local and national projects, with its three-year digital transformation roadmap aiming to improve patient outcomes, staff experience, and drive financial sustainability. The Health Board also has a good approach to evaluating digital projects and tracking their benefits.

7 Risk management for digital infrastructure and cyber security is well developed, with clear oversight in place. However, governance of the use of artificial intelligence across the Health Board is still at an early stage.

8 The Health Board is making progress in understanding and improving digital skills through targeted training, a skills pathway, and digital inclusion initiatives. Despite these positive steps, digital confidence varies across the workforce, and the absence of a standalone digital workforce plan is a notable weakness as digital transformation accelerates.

9 The organisation shows strong commitment to digital inclusion and partnership working, contributing actively to national and regional programmes. Engagement with staff and service users is improving through clinical informatics leads, digital champions, and design workshops.

What we recommend

10 We have made five recommendations to the Health Board focusing on:

- providing a more streamlined overview of digital initiatives to the Digital, Data and Innovation Committee;
- ensuring risk registers capture emerging risks associated with artificial intelligence;
- developing a digital workforce plan to support delivery of the strategic digital plan;
- capturing a consolidated view of outcomes and impact from digital project engagement activities; and
- strengthening Board level reporting on national digital peer groups.

Key facts and figures

Of the Health Board's workforce, approximately 13,000 staff, only 209 have completed the HEIW (Health Education and Improvement Wales) interactive self-evaluation tool as part of the Digital Capability Framework.

The Health Board has achieved accreditation under the Digital Inclusion Charter in recognition of its Digital Inclusion Programme.[1]

During 2024-25, 499 members of staff attended digital inclusion sessions.

In September 2025, a Welsh Government audit against the Cyber Assessment Framework found that of the nine open actions from the Health Board's 2024 audit, seven had been achieved and two were partially achieved.

In the 12 months to March 2026, the Health Board did not have any cyber incidents that were reportable under the Network and Information Systems Regulations 2018.

From 2021-22 to 2024-25, the Health Board invested approximately £68 million in digital revenue and £13 million in capital.

[1] The Digital Inclusion Charter for Wales is a framework which helps organisations to reduce digital exclusion.

Our findings

Strategy, planning and leadership

The Health Board has a clear digital strategy, strong digital leadership, and has invested in specialist external support to speed up its digital transformation

Digital strategy and plans

11 The Health Board has recently updated its long-term strategy, A Healthier Mid and West Wales, where digital transformation is a key part of achieving future ambitions. The strategy's 'digital first' goal aims to harness digital and AI innovations, create seamless pathways between care and home settings, and support staff with effective tools. It aims to achieve this by delivering its Digital Strategic Plan, Our Digital Response 2020-25, which it is currently updating.

12 The plan was launched during the pandemic. This meant the Health Board had to pause or reprioritise some projects, for example, quickly rolling out Microsoft Office 365. Since then, technology has advanced significantly and the Health Board is updating the plan to make sure it is still relevant and responds to current needs. The clear vision and priorities set out in 2020 are mainly unchanged. These aim to help patients manage their own care, make it easier for staff to access shared records, use data to improve care locally and regionally, and improve digital infrastructure.

13 The Health Board expects to launch the updated Digital Strategic Plan in summer 2026, following engagement with staff and the public to make sure it reflects their needs. Feedback from the recent long-term strategy engagement has already informed key priorities for digital healthcare. The updated plan will also need to align with other key Health Board strategies, including the People Plan and the Clinical Services Plan.

14 While the Digital Strategic Plan is being updated, the Health Board has a clear way forward and focus on delivery. The Health Board's 2025-26 Annual Plan and Digital Operational Plan set out clear short-term digital priorities, actions, and milestones.[2] It has also created a high-level three-year Digital Transformation Roadmap, which focuses on 10 key programmes. Progress on digital projects and priorities are regularly reported to the Digital, Data and Innovation (DDI) Committee.

15 In 2025, the Health Board entered a 10-year strategic partnership with CGI, a digital health organisation, to accelerate its digital transformation. This unique partnership is designed to expand the Health Board's digital capacity, strengthen skills, and support knowledge transfer. CGI is currently working with the Health Board on several key areas, including programme management of national system implementations, reviews of artificial intelligence, and migration to cloud-based systems. Although the partnership has not yet been formally evaluated, initial feedback has been positive.

16 The Health Board recognises that it needs to improve its digital maturity. Its existing plan was based on an assessment using the Healthcare Information and Management Systems Society (HIMSS) framework, which rated the Health Board at Level 1. This assessment helped the Health Board understand the scale of its digital challenges and set goals to reach HIMSS Level 3 within two years and Level 6 within five years. The Health Board plans to carry out another assessment in 18 months, after implementing several key digital programmes.

[2] The 2025-26 Annual Plan has 10 planning objectives, objective 9 focuses on digital plans.

Board ownership of digital transformation

17 The Board shows strong ownership of digital transformation. Over the past three years, understanding and engagement have increased, supported by regular updates on individual digital projects and wider transformation plans through the DDI Committee, Board meetings, and Board Development Sessions. The Board sees digital as essential to delivering change, reinforced in November 2024 when it approved a 10-year strategic digital partnership to accelerate progress.

18 There is clear digital leadership and expertise at Board level. The Board has an Independent Member for Information Technology, who chairs the new DDI Committee.

Roles, responsibilities and accountability

19 The Board has good oversight of its Digital Strategic Plan, which it strengthened by establishing the DDI Committee in April 2025.[3]

20 Chaired by the Independent Member for Information Technology, the DDI Committee operates effectively, with open discussion and good scrutiny. It has good oversight of digital plans, projects and risks, regularly receiving updates on the Digital Strategic Plan, the strategic digital partnership, business cases and the 2025-26 Annual Plan digital objective. While these reports are clear, they often duplicate information, with each one providing updates on the same projects, such as the Electronic Prescribing and Medicines Administration (ePMA) Project, from a different perspective and with varying levels of detail. There is an opportunity, therefore, for the Health Board to review committee reporting to reduce overlap and present a more streamlined, consolidated view of digital work.

[3] The Sustainable Resources Committee, which previously oversaw digital work, was stood down in March 2025.

21 There are clear executive and operational arrangements for overseeing digital work. The Director of Digital reports to the Executive Director of Finance, who is the executive lead for digital. Both sit on the DDI Committee and regularly attend Board meetings to update members on digital work. Having digital overseen by the Executive Director of Finance helps ensure strong links to investment decisions and a focus on value for money and return on investment.

22 The Executive Director of Finance has an annual objective to progress actions related to digital, technology and AI with progress and risks regularly reported to the DDI Committee. Several operational groups also support delivery, including Performance Group meetings, the Change Advisory Board, and Senior Digital Team meetings. These groups report into the Healthier Mid and West Wales Group, which is a sub-group of the Executive Team.

23 The Health Board is actively working to strengthen clinical digital leadership. It already has a Chief Clinical Information Officer who meets regularly with the Director of Digital. To broaden this leadership, the Health Board plans to recruit Chief Information Officers for Nursing and Allied Health Professions. These roles will serve as vital links between clinical and digital teams, ensuring a strong clinical perspective in decision-making. It also plans to set up a group of interested clinicians to address topics such as clinical safety, but this is still in its early stages.

Identifying and managing risks

The Health Board has strong oversight of digital infrastructure and cyber risks, but needs a better focus on emerging risks posed by Artificial Intelligence

Strategic digital risks

24 The Health Board has strong arrangements in place for managing digital risks. A strategic risk relating to insufficient investment in digital infrastructure is monitored at Board level, while the DDI Committee oversees key

corporate and operational digital risks. As of January 2026, the Health Board is managing two main corporate digital risks relating to prolonged outage following a cyber incident and the potential loss of pathology services due to delayed implementation of Laboratory Information Management System (LIMS). The committee also reviews significant operational risks, including limited funding for digital transformation and capacity pressures that could impact national programmes and statutory reporting.

Digital infrastructure risks

25 The Health Board has a good understanding of its IT infrastructure and what needs replacing. It has created a detailed digital asset inventory which records the age, support status, condition, and responsible officers for each system. Recognising that ageing systems can increase cyber risks, this inventory helps the Health Board identify and replace outdated or unsupported systems. The Digital Programme Group and Capital Monitoring Group provide assurance on the management of the digital asset inventory.

26 However, the Health Board recognises that its digital infrastructure is not strong or reliable enough and this creates a major risk to delivering its Strategic Digital Plan. The current infrastructure does not reliably support staff working in primary, secondary, or community settings, and several elements need upgrading. There are also gaps in the availability of equipment on wards and for community-based staff. The high-level three-year road map for transformation focuses on putting the basics in place, including modernising digital infrastructure, addressing the most urgent gaps, and removing shadow IT systems.

Cyber resilience

27 The Health Board has appropriate arrangements in place to manage its cyber security risks. The Health Board runs a Cyber Security Programme led by a dedicated cyber team. Oversight is provided by the Cyber Security Assurance Group, which reports to the DDI Committee through the Information Governance Sub-Committee. Cyber risks are clearly defined in both service-level and corporate risk registers, with controls and mitigation actions in place. Since September 2025, the Health Board has updated the cyber-attack corporate risk, replacing it with a new one that focuses on the danger of long system outages and recovery after an attack.

28 The Health Board has processes to make sure cyber security is built into the development and purchase of new IT services, such as the one used by the Digital Programme Group when deciding whether to approve new services.

29 The Health Board works closely with national NHS cyber-security experts, including the National Cyber Security Centre and Digital Health and Care Wales (DHCW). The Cyber Team regularly runs phishing exercises to train staff and raise awareness. However, compliance with cyber-security training is 79%, which is below the 85% target. The team also runs regular tabletop exercises to test how the organisation would respond to major cyber incidents and plans to run a mock cyber-attack to test clinical systems, given the potential risks to patient safety.

30 In September 2025, the Health Board was audited by Welsh Government's Cyber Resiliency Unit, using the Cyber Assessment Framework. Of the nine actions from its 2024 audit, seven were assessed as achieved and two partially achieved. In addition, an Internal Audit review of cyber security in January 2026 resulted in a 'substantial assurance' rating, with only one medium-priority recommendation about reporting of progress against the Cyber Security Programme.

31 Cyber incidents are actively monitored and reported to the private DDI Committee. In October 2025, the committee received a report highlighting five cyber incidents, with assurance that they were being managed appropriately. None of these incidents were reportable under the Network and Information Systems Regulations 2018.

Artificial intelligence

32 The Health Board is working on developing a clearer plan for how it will use Artificial Intelligence (AI). The current Digital Strategic Plan only mentions AI briefly, but the updated plan will focus more on how AI could support clinical care, such as in cancer, stroke, screening, diagnostics and decision-making. The Health Board is also exploring other uses of AI, including conversation bots to help citizens find information on its website, tools to analyse and quality-check data, and ambient AI to save time by automatically transcribing notes.

33 However, the Health Board has not yet assessed the risks of using AI, and no AI-related risks are recorded on its risk registers. Also, it does not currently have the policies or procedures needed to manage these risks. This means the organisation does not yet understand how AI could affect patient safety or provide assurance to the Board that its use is safe and appropriate. However, work has started to address this by reviewing how AI is already being used in areas such as data analysis, patient services, and predictive tools. This review will help check how well these systems work, identify improvements, ensure they meet legal and ethical requirements, strengthen governance, and support the development of a future AI plan.

34 Working with Swansea Bay University Health Board, the Health Board has formally committed to developing a joint AI strategy and governance framework by early 2026. This will include ethical oversight and clinical validation in line with the expectations of the AI Commission for Health and Social Care.[4]

[4] The AI Commission for Health and Social Care is a Welsh Government-led body that provides national-level guidance, strategic direction, and standards for the safe and responsible adoption of AI across health and social care services in Wales.

Digital skills

The Health Board has a positive approach to assessing and developing digital skills, which it could strengthen by developing a digital workforce plan

Assessing digital skills

35 The Health Board has a basic understanding of workforce digital skills and capability, with only 209 staff completing the HEIW's Digital Competency Framework self-assessment tool. However, the results were still useful, highlighting that almost half of those who took part (45%) said they were still learning or not confident in their digital skills.

36 This understanding has helped the Health Board design digital skills training that fits the different needs of staff in various roles. It has created a Digital Skills and Confidence Development Pathway to encourage ongoing learning and to make it easier for staff and managers to find useful training resources. The pathway, which the Health Board has started to roll out, aims to develop basic and more advanced skills, with an internal skills audit and HEIW's Digital Competency Framework as tools to support learning and self-evaluation. The Health Board also plans to include digital skills discussions into staff Personal Appraisal and Development Reviews (PADR).

37 When implementing new digital projects, the Health Board adopts a positive 'no one left behind' approach by working with staff to build their digital skills and confidence before new systems are rolled out. For example, digital skills and digital inclusion are key considerations in the Outline Business Case for the Patient Service Centre, which was presented to the DDI Committee in January 2026.

Developing digital skills

38 The Health Board does not have a standalone digital workforce plan. The refresh of its digital strategic plan offers an opportunity to identify gaps in digital skills and capacity and outline the resources needed to address them in the short, medium, and longer term.

39 Despite this, the Health Board recognises the need to upskill its workforce to support digital transformation, with its Digital Inclusion Programme (see **paragraph 42**) covering staff and the wider community. A dedicated workstream within this programme aims to strengthen digital skills and confidence by improving access to digital-inclusion resources and motivating staff to engage with digital change. To support this, the Health Board is using and developing a range of tools, including digital inclusion champions, online training, managerial and team checklists, roadshows, and tailored support from the Digital Inclusion Team.

40 During 2024-25, 499 staff engaged with digital inclusion activities. While participation is low compared to the size of the workforce, those attending report increased confidence and skills. The Health Board is aware of the key challenges, such as staff resistance to digital change, limited time available for training, inconsistent digital infrastructure and varying levels of manager engagement with the self-assessment tool.

41 The Digital Directorate comprises 227 Whole Time Equivalent (WTE) staff across a variety of roles. The Health Board reported that recruiting digital staff is challenging, but retention is not a problem. Its partnership with CGI has increased digital capacity and helped the team progress transformation projects previously delayed due to operational pressures. CGI also supports knowledge transfer and upskilling, which is harder to achieve through short-term contracts. As a global organisation, CGI brings wider experience and broader perspectives to the Health Board.

Collaboration and involvement

The Health Board demonstrates strong commitment to digital inclusion and partnership engagement, while its approach to service user involvement is evolving

Reducing digital exclusion

42 The Health Board is strongly committed to digital inclusion. It set up the Digital Inclusion Support Service in May 2023, which includes a Digital Inclusion Manager and two Digital Inclusion Advisors. This team runs a clear Digital Inclusion Programme that supports both staff and the wider community. The programme is built around eight main areas which focus on:

- improving digital access and skills;
- co-designing services;
- increasing digital health literacy;
- developing digital health hubs;
- strengthening engagement with underserved groups;
- enhancing the digital capability of the workforce, and
- embedding digital inclusion across health and wellbeing strategies.

43 Demonstrating its commitment, the Health Board achieved Digital Inclusion Charter status in September 2022. In addition, the Digital Director sits on the Digital Inclusion Alliance Wales Steering Group, and the Independent Member for Information Technology chairs the Regional Digital Inclusion Steering Group.[5,6] These roles create valuable opportunities for information sharing and collaborative working.

[5] The Digital Inclusion Alliance for Wales (DIAW) is a group of organisations working together to advance digital inclusion across Wales.

[6] The Regional Digital Inclusion Steering Group brings partners in West Wales together to improve digital inclusion.

44 The Health Board acknowledges that its work on digital inclusion is further ahead for staff than for the community and **paragraph 39** outlines the range of support to develop workforce skills. In addition, the programme includes a laptop-loan scheme to support staff with training, as well as a 'databank' initiative that helps staff purchase mobile data. However, it is working with partners to improve community digital inclusion. This includes:

- working with Ceredigion County Council's Independent Living Hub to build service users' digital confidence;
- setting up a Digital Inclusion Alliance Group to coordinate local opportunities;
- advising Pembrokeshire County Council on including digital access within its new Independent Living Centre; and
- identifying and signposting patients who may benefit from community digital support.

45 The DDI Committee receives routine updates on digital inclusion activities across the eight areas of the programme. However, these reports do not include milestones or participation data, making it difficult to assess progress or impact. Although the annual benefit realisation report includes some digital inclusion metrics, these focus on staff initiatives only. The Health Board recognises these gaps, especially measuring soft skills and longer-term outcomes.

Staff and service user involvement

46 The Health Board is committed to involving staff, patients, and service users in shaping its digital programmes. Engagement is now a routine part of major projects and will be an important part of updating the Strategic Digital Plan.

47 Staff involvement is supported through mechanisms such as clinical informatics leads, digital champions, and multidisciplinary design workshops. This helps ensure digital solutions reflect frontline needs and operational practice. To strengthen clinical input, the Health Board is creating a Clinical Informatics model which brings together roles like the Chief Clinical Information Officer, Nursing Informatics Leads, and Digital Pharmacists into a single, coordinated structure, helping to ensure all professions are represented in digital decision-making.

48 The Health Board is also improving how it engages with patients and the public through user testing, feedback surveys, and targeted outreach to people at risk of digital exclusion. It is also increasingly placing more focus on digital inclusion and co-design, particularly for virtual care pathways and patient-facing technologies.

49 While the Board receives assurance about stakeholder involvement in digital transformation on a project-by-project basis, this information is not brought together to show the overall impact, and outcome measures are unclear. This makes it difficult to gauge progress. Pulling this information together would help the Health Board identify gaps in engagement and strengthen involvement across all groups, including those that are seldom heard.

Partnership working

50 The Health Board works well with its national and regional partners, including DHCW, the Welsh Government, and Swansea Bay University Health Board. It has a strong working relationship with DHCW, supported by regular leadership-level meetings that help with joint planning and problem-solving. DHCW was also directly involved in the CGI procurement, and the Welsh Government approved the investment.

51 Digital leaders in the Health Board are actively involved in national digital groups and peer networks. For example, the Director of Digital chairs the Digital Directors' Peer Group and is a member of the AI Commission for Health and Social Care. The Executive Director of Finance chairs the Digital Services for Patients and the Public Group, and the Independent Member for IT chairs the Digital IMs Peer Group. This national involvement helps the Health Board influence wider digital policy and stay aligned with national priorities.

52 The Board receives regular reports on the strategic digital partnership and the work of the regional joint committee. However, it receives limited information about other important digital partnerships and national digital groups. As a result, the Board has less visibility of what these partnerships are delivering, how they support local digital plans, and whether any risks or gaps need attention.

Using digital developments to support service transformation

The Health Board is committed to adopting national digital systems and has a strong approach to benefits realisation. While committed to digital investment, limited funding poses a risk to delivery

Investment in digital transformation

53 The Health Board's financial position is challenging, with a forecast year-end deficit for 2025-26. Despite this, the Board has shown a strong commitment to investing in digital transformation, notably by entering a 10-year strategic partnership with CGI worth £75 million.[7] However, there is no dedicated funding for the contract, so each project still needs an approved business case and must rely on funding from sources like the Welsh Government, end-of-year funding, or discretionary capital. This uncertainty risks delivery of the Strategic Digital Plan. However, to give both parties flexibility, CGI's contract was agreed on a 'zero-commitment' basis.

54 Given these financial pressures, the Health Board is realistic and uses the MoSCoW method to prioritise digital projects.[8] This method helps identify what must be funded now and what can be delayed, making sure resources are focused on critical projects and those that deliver the greatest value. This structured approach supports clear decision-making, reduces waste and helps keep projects achievable. The prioritised projects form the basis for the annual Digital Operational Plan.

[7] The contract value of £75 million over 10 years is based on anticipated costs of future digital projects and the Health Board's typical spending on digital transformation.

[8] The MoSCoW method is a prioritisation tool that groups requirements into four categories: Must have, Should have, Could have, and Won't have.

55 **Exhibit 1** shows that capital and revenue spending on digital services has fluctuated over recent years, with an average combined annual spend of around £20 million. While **Exhibit 2** shows that the Health Board intends to increase its revenue digital investment from 2025-26 onwards, there is a risk this might not happen if wider financial challenges continue. This will likely impact the pace of digital transformation, and the Health Board will need to make sure it has contingency plans in place.

Exhibit 1: Annual capital and revenue investment in digital (2021–22 to 2024–25)

Financial Year	Capital £m	Revenue £m
2021-22	4.8	19.5
2022-23	1.2	16.0
2023-24	2.8	18.9
2024-25	3.7	14.0

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

Financial Year	Capital[9] £m	Revenue £m
2025-26	1.0	24.5
2026-27	1.0	31.4[10]
2027-28	1.0	34.1
2028-29	1.0	37.0

Source: Health Board supplied data

[9] This is subject to confirmation.

[10] This figure includes Corporate and Health Records, which will fall under the Digital Directorate's responsibility.

Local and regional digital projects

56 The Health Board is actively progressing a range of local projects. Its three-year digital transformation roadmap sets out 10 key programmes that aim to improve patient outcomes, staff experience, and drive financial sustainability. These programmes include both national and local solutions such as the LIMS replacement, electronic observation systems, and developing a patient service centre and patient relationship management tool.

57 The Health Board is also working on regional digital solutions with Swansea Bay University Health Board. A regional Joint Committee has been in place since January 2025, and has five shared regional objectives, including improving digital collaboration and efficiency. Both organisations have committed to working together on digital initiatives and have established joint working groups covering data and intelligence, infrastructure, digital inclusion, and clinical systems, alongside a regional digital forum. The two Health Boards also plan to develop a shared digital roadmap and, as noted earlier, a joint AI strategy and governance framework by early 2026.

58 In addition, the Health Board works with local universities, including Aberystwyth and Swansea Universities, through joint roles and sponsored PhDs. These partnerships help with data projects that support planning and forecasting.

Adopting national digital systems

59 The Health Board is rolling out national digital systems, like the ophthalmology electronic patient record (OpenEyes) and digital maternity records (BadgerNet), to improve access, quality, and efficiency.

60 While committed to Once for Wales solutions, the Health Board also takes a pragmatic approach, accelerating local digital developments where necessary. It has communicated to both DHCW and the Welsh Government that it will move ahead at pace when required, with the intention of migrating to national solutions once they are available. For example, the Health Board is exploring the development of a Patient Service Centre but is clear that it must integrate with existing national systems such as the NHS Wales App and Patient Knows Best.

61 However, local solutions are not always feasible, and reports to the DDI Committee highlight significant delays to some key national projects such as LIMS, OpenEyes, and BadgerNet. Although many of these delays are outside the Health Board's control, they could seriously affect service delivery and hinder progress toward digital transformation. The Health Board noted that, while relationships with DHCW and the Welsh Government are positive, the role of the Welsh Government appears less clearly defined than that of DHCW.

Evaluating digital solutions

62 The Health Board has a strong approach to benefits realisation. In September 2024, Internal Audit gave the Health Board a substantial assurance rating for its Digital Benefits Realisation work. The review found that the Health Board uses a clear framework to track outcomes of digital projects, making sure they support strategic objectives and provide value. Business cases clearly set out expected benefits, and established processes are in place to monitor progress, spot any under-performance, and take corrective action.

63 The Board receives sufficient assurance about how digital solutions are being evaluated. In October 2025, the DDI Committee received the 2024-25 Digital Innovation and Transformation Benefits Realisation Report. This report explains the benefits process and highlights key financial and non-financial benefits from the past year. Examples include:

- Hybrid Print and Post project – Moved 64% of appointment letters to digital, cut first class mail by 20% saving £91,567, and offered up 2.5 hours per day in the Contact Centre for other tasks.
- Digital Health Records – 532 users viewed over 42,000 records and nearly 49,000 documents. This made information easier to access and helped save time.
- Radiology Test Requesting – 25,286 electronic requests were made (10% of total requests), saving about 290 hours of transcription time. It is now being tested in primary care before wider rollout.

64 While the report clearly sets out achievements, it also highlights the challenges to realising intended benefits and action planned for the next 12 months. The Health Board understands that change can bring positive and negative effects and measuring these is part of its evaluation process.

Recommendations

The following table details the recommendations arising from our work.

R1	The Health Board should review the digital reports received by the Digital, Data and Innovation Committee to reduce duplication and provide a more streamlined overview of digital initiatives. (**Paragraph 20**)
R2	The Health Board should review its corporate and operational risk registers to ensure AI-related risks are identified, recorded, and managed appropriately. (**Paragraph 33**)
R3	The Health Board should produce a Digital Workforce Plan to support its updated Strategic Digital Plan. This will enable it to understand digital skills gaps and allocate the resources needed for workforce development. (**Paragraph 38**)
R4	The Health Board should introduce a process to summarise and track the outcomes and impact of engagement activities across digital projects, to improve assurance. (**Paragraph 49**)

R5 The Health Board should strengthen Board-level reporting on national digital groups and digital partnerships, to give the Board better oversight of national developments and how they affect local digital plans. (**Paragraph 52**)

Appendices

1 About our work

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 and 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 and Social Care: A plan for digital health and social care policy paper.
- NHS England Transformation Directorate: What good looks like framework.

Methods

We asked Hywel Dda University Health Board to:

- complete a self-assessment to help us understand how the organisation is undertaking digital transformation; and
- 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, Data and Innovation Committee Terms of Reference.
- Key strategies and plans, including the Digital Strategic Plan and Annual Plan.
- Key risk management documents, including the Board Assurance Framework.
- Relevant policies and procedures.
- Reports prepared by other relevant external bodies.

We interviewed the following key stakeholders:

- Chief Executive
- Executive Director of Finance

- Director of Digital
- Independent Member – Information Technology

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

- Digital, Data and Innovation Committee

2 Key terms in this report

Term	Description
Strategic Risk Register	The Strategic Risk Register sets out the risks linked to the organisation's strategic objectives, and the controls and assurances in place to manage those risks.
Corporate Risk Register	A Corporate Risk Register sets out the organisation's significant risks (either those with high scores or organisation-wide impact) and the actions in place to manage them.
Shadow IT	Shadow IT refers to any software, hardware, or technology service used within an organisation without the knowledge, approval, or oversight of the IT department.
Once For Wales	National approach in NHS Wales where a digital system, process or standard is designed, procured and implemented once at a national level, rather than each Health Board creating its own version.
HEIW's Digital Capability Framework	A national model outlining the digital skills, behaviours and confidence health and care staff need, organised into six capability domains with a self-assessment tool for development.
Digital Inclusion Charter	The Digital Inclusion Charter for Wales is a national set of commitments that organisations sign up to in order to actively support and promote digital inclusion across Wales.

Term	Description
Electronic Prescribing and medicines administration (ePMA)	A system in its hospitals, designed to improve patient safety through better documentation, streamlined workflows, and more efficient access to medication records as part of NHS Wales' Digital Medicines Programme.
OpenEyes	Electronic patient record (EPR) system designed specifically for ophthalmology services.
BadgerNet maternity	A digital system for recording maternity care.

3 Management Response

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)
R1	The Health Board should review the digital reports received by the Digital, Data and Innovation Committee to reduce duplication and provide a more streamlined overview of digital initiatives. (**Paragraph 20**)	The Health Board agrees with this recommendation. A review of the digital reports submitted to the Digital, Data and Innovation Committee will be undertaken to reduce duplication and improve clarity. This will include rationalising overlapping reports, aligning content to the Committee's core assurance requirements, and introducing a more structured, consolidated reporting approach. The aim is to provide a streamlined, high-level overview of digital initiatives, delivery progress, benefits realisation and key risks, while retaining the ability to undertake deeper dives where required. This will support clearer line of sight for the Committee and more effective use of agenda time.	30 September 2026	Digital Director
R2	The Health Board should review its corporate and operational risk registers to ensure AI-related risks are identified, recorded, and managed appropriately. (**Paragraph 33**)	The Health Board agrees with this recommendation. Corporate and operational risk registers will be reviewed to ensure that AI-related risks are explicitly identified, appropriately recorded, and managed in line with the Health Board's Risk Management Framework. This will include aligning AI-related risks to existing risk categories (eg clinical safety, information governance, cyber security, ethics, workforce and	31 December 2026	Digital Director

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		reputational risk) and ensuring clear ownership, controls and escalation routes are in place. This work will be undertaken in alignment with the Health Board's approved AI Framework, which sets out governance, clinical safety, information governance, ethical and monitoring requirements for AI use, including the maintenance of a central AI portfolio and registration process. AI-related risks identified through this process will be reflected consistently across operational risk registers and, where appropriate, escalated to the Corporate Risk Register for oversight through the Executive Team and Board committee structure.		
R3	The Health Board should produce a Digital Workforce Plan to support its updated Strategic Digital Plan. This will enable it to understand digital skills gaps and allocate the resources needed for workforce development. (**Paragraph 38**)	The Health Board agrees with this recommendation. A dedicated **Digital Workforce Plan** will be developed to support delivery of the updated Strategic Digital Plan and to ensure the sustainability of digital transformation over the medium to long term. The plan will assess current digital capacity and capability across the organisation, identify key digital skills gaps, and define the workforce investments required to support priority digital programmes and business-as-usual services. The Digital Workforce Plan will align with the Health Board's Digital Strategic Plan, wider workforce strategy and national NHS Wales expectations. It will consider the skills required to support core digital services, emerging technologies (including data, analytics and AI),	31 December 2026	Digital Director

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		clinical informatics, change and adoption, and cyber and information governance. The output will provide a clear basis for workforce development, succession planning, training priorities and funding decisions, and will support more informed resource allocation as digital delivery scales.		
R4	The Health Board should introduce a process to summarise and track the outcomes and impact of engagement activities across digital projects to improve assurance. (**Paragraph 49**)	The Health Board agrees with this recommendation. A more consistent and structured approach will be introduced to **summarise, track and report the outcomes and impact of engagement activities** undertaken across digital programmes and projects. This will improve assurance that stakeholder, workforce and patient engagement is purposeful, proportionate and informing delivery decisions. The approach will build on existing engagement activity already taking place through digital programmes, including service engagement, digital inclusion activity and adoption support, and will introduce a light-touch mechanism to capture key engagement themes, actions taken in response, and the resulting impact on delivery, adoption or user experience. This information will be aggregated at portfolio level and reported through existing digital governance and assurance forums, providing clearer line of sight between engagement activity and programme outcomes. The process will be aligned to the Health Board's digital delivery and assurance reporting approach, enabling engagement insights to be	31 March 2027	Digital Director

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		reflected alongside progress, risks and benefits, without creating unnecessary reporting burden.		
R5	The Health Board should strengthen Board-level reporting on national digital groups and digital partnerships, to give the Board better oversight of national developments and how they affect local digital plans. (**Paragraph 52**)	The Health Board agrees with this recommendation. Board-level reporting will be strengthened to provide clearer and more consistent oversight of **national digital groups, programmes and strategic digital partnerships**, and the implications these have for local digital priorities, affordability and delivery plans. This will be achieved by rationalising and standardising the way national and regional digital developments are summarised and escalated from the Digital, Data and Innovation Committee to the Board. A clearer narrative will be provided on key national programmes, emerging policy direction, and strategic partnerships, with explicit articulation of opportunities, constraints, dependencies and required local action. This will enable the Board to better understand how national initiatives impact the Health Board's Digital Strategic Plan, delivery sequencing and investment decisions. The approach will build on existing DDIC papers covering the national and regional digital landscape and digital partnerships, and will ensure that Board updates focus on **what has changed, why it matters, and what decisions or awareness are required**, rather than duplicating operational detail.	30 September 2026	Digital Director

About us

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The Auditor General carries out their 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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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.