

Review of Stakeholder Engagement Arrangements – Digital Health and Care Wales

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This document has been prepared as part of work performed in accordance with statutory functions.

We welcome correspondence and telephone calls in Welsh and English.

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Introduction

- 1 Digital Health and Care Wales (DHCW) is responsible for creating and providing digital and data services for health and care in Wales. To discharge its role, it is must work constructively with other stakeholders to plan, introduce and maintain digital services.
- 2 DHCW is funded both by the Welsh Government and from other NHS bodies in Wales. In 2024-25, it received £131.9 million from the Welsh Government, health boards and trusts. It also received non-recurring funding of £7.4 million from the Welsh Government for its COVID-19 response and £30.3 million from the Digital Priorities Investment Fund.
- 3 For DHCW to achieve its aim of being a trusted partner, it must demonstrate that:
 - it understands the needs of its stakeholders;
 - responds appropriately to those needs; and
 - provides a good return on the investment.
- 4 It is important that DHCW's stakeholders understand the operating environment within which it works and the risks and challenges it faces.
- 5 In April 2024, DHCW commissioned an independent stakeholder review led by Atos¹. The review targeted a broad range of stakeholders who work and interact with DHCW. DHCW received the Atos report in September 2024, and we have considered its response to it during our review.
- 6 We also note that due to some concerns about the organisation's ability to effectively deliver a number of major programmes, the Welsh Government has escalated DHCW to 'level 3' on its escalation and intervention framework. The extent that the wider NHS has confidence in DHCW's delivery of its key programmes is essential. Effective stakeholder engagement is a key element for building that confidence.
- 7 During our review, we identified some broader strategic issues with digital services in NHS Wales. This includes availability of capital funding, the balance between national and local digital programmes, digital leadership, and roles and responsibilities. These are out of the scope of this review. However, we intend to look at these issues more closely in our 2025 review of digital transformation.

¹ Atos specialises in cybersecurity, cloud, employee experiences, digital technology and transformation services.

Objectives and scope of our work

- 8 The objective of our review was to examine whether DHCW has an effective approach to stakeholder engagement, in line with its strategic aims. The aim of this work is not to repeat the work of Atos, which sought stakeholder views. Instead, our review is focussed on the effectiveness of the strategic and operational approach to stakeholder engagement. Our audit work assesses DHCW's approach for planning, delivering, responding to and overseeing stakeholder engagement. We have provided recommendations where improvements are required.
- 9 The work has been undertaken to discharge the Auditor General's statutory duty under Section 61 of the Public Audit (Wales) Act 2004 to be satisfied that the Health Board has proper arrangements in place to secure economy, efficiency, and effectiveness in its use of resources.
- 10 We undertook our work between September 2024 and February 2025. The methods we used to deliver our work are summarised in **Appendix 1**.

Key findings

- 11 Overall, we found that **DHCW has a clear stakeholder engagement strategy and engages its stakeholders reasonably well. However, it needs to use engagement as a means of aligning its priorities with its stakeholders, ensure sufficient engagement resources and improve learning and reporting on stakeholder feedback.**
- 12 The findings that support our overall conclusions are summarised below under the following headings:
 - planning stakeholder engagement activity;
 - delivering stakeholder engagement activity;
 - responding to stakeholder engagement activity; and
 - monitoring and adapting stakeholder engagement activity.

Planning stakeholder engagement activity

- 13 We considered whether DHCW has:
- a clear, costed and timebound delivery plan underpinning its stakeholder engagement strategy;
 - effective approaches to identify the stakeholders it needs to engage with; and
 - clearly identified who is responsible for leading and delivering stakeholder engagement activities.
- 14 We found that **DHCW has a clear stakeholder engagement strategy supported by a detailed action plan. However, there are delivery risks because there are not sufficient resources to support the Engagement and Strategic Partnerships Team.**

Stakeholder engagement delivery plan

- 15 DHCW recognises the importance of engaging well with stakeholders. Its strategic plans² aim to make it a 'trusted partner' to NHS Wales. It wants to be a high-quality, inclusive, and ambitious organisation. Its 2023 [Engagement Strategy](#) (the strategy) and plan effectively underpin its wider strategic plans. The strategy focuses on four 'engagement pillars' that provide the necessary infrastructure and platform to achieve its goals. These are:
- create a culture of effective engagement, improving DHCW's skills and resources;
 - build strong strategic partnerships, networks, and forums;
 - be recognised as a leader in developing high-quality technology, data products, and services for the NHS; and
 - operate as a flexible and responsive organisation, listening to and addressing stakeholder needs.
- 16 The strategy is up to date with clear objectives, appropriate timelines and actions. It includes measures of success, identified leads, and a performance reporting process.
- 17 The strategy does not have a budget, nor does it identify the financial resources required to deliver it. Despite investing in the Engagement and Strategic Partnership team and wider support from its communications team, delivery of the strategy remains at risk due to a failure to identify sufficient resources to take forward the required work.
- 18 Its January 2025, the Board update gave an overview of the extent of the work required to implement the Atos review recommendations. DHCW has appointed a

² [Organisational Strategy 2024-2030](#) and [Integrated Medium Term Plan \(IMTP\) 2024-27](#)

Senior Engagement Officer on a fixed-term basis to lead this work. However, it again highlighted the lack of overall capacity to deliver the Atos actions in a timely manner. DHCW needs to regularly review resources and put in place effective actions to mitigate the risks. **(Recommendation 1)**

Identifying stakeholders

- 19 Stakeholder mapping is a key priority for DHCW. Its goal is to involve the right people with the necessary skills and authority in programme delivery. DHCW has many partnerships, and it has undertaken work to identify and map its key stakeholders. Its engagement strategy and [2023 Communications Strategy](#) development comprehensively identified 15 types of stakeholders³ and their strategic needs.
- 20 Work is also underway to develop stakeholder profiles. This is resulting in operational teams creating their own mapping with defined responsibility for engagement. However, progress is slower than expected and a renewed effort is needed. The Atos review also recommended that DHCW conducts stakeholder mapping for its digital programmes. In response, DHCW is starting to map its engagement requirements for its programmes, projects, and services.
- 21 DHCW recognises the need for robust engagement with clinicians. While it supports and engages primary care clinicians well, DHCW finds it harder to obtain good clinical engagement and involvement in secondary care digital programmes. The Atos review also highlights that many clinicians do not understand DHCW's role. Effective communication and engagement with clinicians should remain a key goal for DHCW. DHCW clearly needs to address this issue, and it should consider different approaches for attracting or incentivising clinical engagement.
- (Recommendation 2)**
- 22 DHCW's role in social care is to support integrated digital services for health and social care. They have developed programmes including Connecting Care⁴ and the National Data Resource⁵. In 2023, the [Senedd Cymru Public Accounts and Public Administration Committee \(PAPAC\)](#) stressed the need for wider partnership engagement. It formally recommended that DHCW increase its engagement with:
- the social care sector, including public, third and private sector providers;
 - regional partnership boards; and
 - the Social Partnership Council.

³ Stakeholders include Health and Social Care Bodies and Services, patients, the public, the Welsh Government, third sector, professional bodies, suppliers, and contractors.

⁴ Connecting Care is a new programme established to replace the Welsh Community Care Information System as it reaches end of life.

⁵ The National Data Resource is a centralised platform that collects and integrates health and social care data from across Wales.

- 23 DHCW's reasonably comprehensive response indicates both how it is engaging with social care and regional partners, and the specific actions linked to integrated health and social care digital programmes. DHCW and Social Care Wales have a memorandum of understanding on the National Data Resource, but more work is needed to set out engagement requirements for Connecting Care.

Responsibilities for leading and delivering stakeholder engagement activities

- 24 There is clear overarching executive and senior leadership responsibility for engagement, and allocated responsibilities in the Engagement and Strategic Partnership Team. DHCW has also set out lead officer responsibility for each action in its 2023 strategy. However, the Atos review indicates that some operational engagement roles and responsibilities need to be clearer. In response, DHCW is developing a communications and engagement plan and has held a leadership day and workshops to discuss and plan its actions. It has identified a delivery lead co-ordinator, responsible lead and executive sponsors to support delivery of its improvement actions. DHCW is also setting up an external stakeholder advisory group. The proposed members include representatives from the Welsh Government, NHS Executive, Health Boards, Trusts, Social Care, and other healthcare-related organisations. The draft terms of reference for this group are waiting for approval, but we understand the group's initial focus will be on delivery of Atos recommendations.

Delivering stakeholder engagement activity

- 25 We considered whether DHCW is:
- undertaking stakeholder engagement activities in line with its strategy using this to understand the digital needs of its stakeholders; and
 - effectively communicating its delivery plans to relevant stakeholders, together with the risks associated with the delivery of specific programmes.
- 26 We found that **DHCW engages and communicates reasonably well with stakeholders but needs to better understand NHS Wales's digital priorities.**

Using stakeholder engagement to understand their needs

- 27 DHCW has a strong engagement programme that routinely includes:
- meetings with NHS organisations;
 - using all-Wales groups⁶;

⁶ All-Wales Groups include all-Wales NHS Chairs, Chief Executives, Medical Directors, or digital leads), or routine operational engagement in the work on digital projects or programmes.

- regular operational engagement in digital projects/programmes; and
 - executive team meetings with key NHS Wales bodies yearly or twice a year, with planning sessions every two months.
- 28 DHCW also engages with the Welsh Government, commercial partners, third sector bodies, patients and the public through surveys and consultations. They hold workshops and meetings with various groups to discuss digital priorities.
- 29 Our 2024 Structured Assessment also highlights DHCW's role in board-level strategic engagement. We emphasised the importance of board members visiting frontline health services. It is now building on its recent visit to north-east Wales and continuing this in other areas. This approach should help board members to understand digital issues faced in services and foster better board-level engagement.
- 30 One of DHCW's key roles is to engage with stakeholders at the programme delivery level. Feedback shows their staff are knowledgeable, helpful, and good at resolving issues. The Atos review is a positive step in understanding stakeholder needs and it highlighted DHCW's positive impact. However, it also found concerns:
- 43.2% respondents found it hard to work with DHCW;
 - 42.8% felt left out of policy and strategy development;
 - 50.4% thought DHCW did not understand their work;
 - DHCW sometimes used a 'one-size-fits-all' approach, missing opportunities to share resources; and
 - there is a need for more structured collaboration and better communication.
- 31 DHCW is experiencing issues with the pace and effectiveness of digital programme delivery. This is reflected in DHCW's recent escalation on the Welsh Government's escalation framework. Despite much engagement, DHCW and stakeholders do not regularly share and understand each other's organisational needs and priorities. The Atos review suggests improving joint planning, knowledge sharing, user-centred design, and providing updates on decisions. These may help to alleviate some of the challenges identified above.
- 32 Frontline staff also have a key role in engagement. However, we identified some concerns caused by the impact of staff turnover which may affect DHCW's ability to build ongoing day-to-day stakeholder relationships in key roles. Our 2024 Structured Assessment comments on the risk and impact of the Digital Priorities Investment Funding model which, because of uncertainty of future funding, encourages short-term recruitment and increases turnover. DHCW therefore needs to consider how it can maintain continuity of engagement with its key stakeholders in this climate. **(Recommendation 3)**
- 33 The findings above show the importance of DHCW's approach to engagement. The Atos review suggests 11 actions for better collaboration, listening, and responsiveness. Implementing these actions is crucial for improving stakeholder engagement.

Communicating with stakeholders

- 34 DHCW generally communicates well, and meets regularly, with its key stakeholders, providing updates on digital solution developments and risks. DHCW publishes a range of online information and updates. This includes regular news and social media feeds, updates on general digital programmes, case studies, and specific digital programme updates, such as medicines and primary care. DHCW holds regular stakeholder events. Key areas in the last 12 months include an update on the National Data Resource in autumn 2024 and seeking stakeholder views on its long-term strategy. It has clearly set out the communications plan for the next period. Its January Board meeting included a report setting out how stakeholder communications were being further developed. Nevertheless, the Atos review suggests further ways to improve transparency and communication.
- 35 Our 2024 Structured Assessment comments on how DHCW is working with stakeholders to agree IMTP priorities. While DHCW understands the shared risks, concerns, and challenges, it is having trouble meeting everyone's needs. The 2024-27 IMTP still has many un-resourced priorities, which makes them difficult to deliver and may damage relationships and reputation. The health boards and DHCW need a shared agenda around the digital transformation that is required. DHCW needs to clearly communicate its plans, risks, and actions to stakeholders and incorporate them into its and the wider NHS Wales' planning process to effectively co-create digital NHS solutions. (**Recommendations 4.1 and 4.2**)

Responding to stakeholder engagement activity

- 36 We considered whether DHCW is using the feedback it receives as a basis for strengthening its stakeholder relationships and is reporting the results of stakeholder feedback into committee and/or the Board.
- 37 We found that **DHCW needs to improve how it reports, learns and responds to stakeholder feedback.**
- 38 Stakeholder feedback comes largely from two areas, operational level feedback on services, and wider responses to bespoke engagement activities. These are often related to digital programmes. The Atos review highlights that 41.8% of stakeholders engage with DHCW weekly or more. Much of this takes the form of day-to-day operational engagement. Officers provide feedback on DHCW service desk performance to the Board when presenting the Integrated Organisational Performance Report (IOPR). This shows performance, customer satisfaction and free text feedback. There is a low response rate to feedback requests, but where this is provided, most feedback is positive, with satisfaction above 95%⁷. While positive, DHCW could further expand its performance report to include examples of

⁷ We note that the response rate is consistently below 10%.

negative feedback, its response, what it learned and what will be done differently in future.

- 39 There are examples where DHCW can demonstrate that it has acted on feedback on its digital programmes. For example, in November 2024, feedback on the NHS app from patients and the public included requests for useful features and helped to shape patient priorities. DHCW shared this example with the Programme Delivery Committee and provided assurance that it is creating a plan and roadmap for delivering these improvements. However, often, digital programme updates do not include detailed stakeholder feedback. For example, the May 2024 update on the Laboratory Information Management System (LIMS2.0) and Radiology Information Procurement System (RISP) simply listed support teams instead of providing stakeholder feedback and the actions it has taken to address any identified issues. The Programme Delivery Committee and Board should seek assurance that stakeholder engagement is effective and responsive across all DHCW digital programmes. **(Recommendation 5)**
- 40 A key goal of DHCW digital programmes is to deliver benefits to health bodies or NHS Wales. It plans benefits with its service owners and stakeholders. An Internal Audit report on benefits realisation in January 2024 gave a reasonable assurance rating, noting good stakeholder involvement. However, it highlighted the need to finalise the Benefits Framework, ensure benefits have a baseline and owner, and develop a tracking process. DHCW has addressed those recommendations.

Monitoring and adapting stakeholder engagement activity

- 41 We considered whether DHCW:
- regularly monitors the delivery of its stakeholder plans; and
 - regularly reviews and adjusts its engagement strategy and supporting delivery plans to ensure they adequately reflect the climate in which the SHA is operating.
- 42 We found that **DHCW is good at monitoring its stakeholder engagement strategy and action plan delivery. However, DHCW needs to ensure that it maintains its focus on delivering the actions arising from the Atos review, particularly those that it is not entirely responsible for delivering.**

Monitoring delivery of stakeholder engagement plans and strategic aims

- 43 DHCW regularly monitors its stakeholder engagement strategy and action plan. The Board receives detailed twice-yearly updates and regular summary reports on progress. These report progress, actions, and achievements, but it is not easy to draw a direct link back to the planned actions in the original 2023 strategy and action plan. Its last Annual Report also provides a useful update on engagement

strategy progress. This allows key stakeholders to understand overall progress. However, it could strengthen its approach by setting out completed actions, changes to the plan, and any new objectives or activities. **(Recommendation 6)**

- 44 The Atos review resulted in a report with 27 recommendations to improve DHCW's engagement arrangements and system-wide working. The findings and DHCW's response were presented to the Board in January 2025. DHCW has set up a Stakeholder Action Plan Delivery Group and an External Stakeholder Advisory Group, with their first meetings scheduled for February and March 2025. These groups will play key roles in monitoring and implementing the action plan.
- 45 DHCW is making progress on its specific Atos report actions and there are leads identified for each of them. Two actions are already completed, and 14 are in progress. The remaining 11 actions involve system-wide improvements. DHCW is engaging partners to secure their support on actions that sit with one or more organisations. DHCW should ensure that it maintains effective monitoring and reporting arrangements until all 27 actions are fully addressed.

Reviewing and adjusting stakeholder engagement strategy and delivery plans

- 46 DHCW effectively reviews and adjusts its engagement strategy and delivery plans. In 2023, they reduced the number of actions from 52 (from the original 2021 Engagement Strategy) to 23. This change was influenced by stakeholder discussions, growth in number and scale of projects/programmes, increased staff mobility, the pandemic's impact on digital services and a desire for a co-ordinated approach. DHCW now plans to use the Atos findings to review and update its stakeholder engagement strategy.

Recommendations

47 **Exhibit 1** details the recommendations arising from our work. DHCW's response to our recommendations is summarised in **Appendix 2**.

Exhibit 1: Recommendations

Recommendations	
R1	DHCW should ensure that there are sufficient resources within the Engagement and Strategic Partnership Team to lead and deliver both the outstanding Engagement Strategy actions and actions arising from the Atos review. Paragraph 18
R2	DHCW should ensure that there are systems and processes in place to establish effective clinical engagement on all key digital programmes. As part of this, DHCW should consider how it can attract or incentivise clinical engagement, particularly in key clinical digital programmes. Paragraph 21
R3	DHCW should ensure resilience in its engagement arrangements to maintain continuity and ongoing relationships with stakeholders where there is staff turnover in key roles. Paragraph 32
R4	<p>DHCW should:</p> <p>R4.1 use stakeholder engagement to strengthen how it aligns its own and key stakeholders' IMTP digital requirements so that they are, where relevant, incorporated into its and the wider NHS Wales' planning process; and</p> <p>R4.2 clearly communicate delivery plans, risks and mitigating actions with stakeholders so that they are appropriately informed. Paragraph 35</p>
R5	Digital programme updates to the Programme Delivery Committee and Board should routinely provide assurance on DHCW's response to stakeholder feedback. This could include examples of feedback received on key initiatives/programmes and actions it has taken in response. Paragraph 39

Recommendations

- R6 Updates to Board on delivery of the Stakeholder Engagement Strategy should be clearer around completed actions, plan changes, and new objectives or activities. **Paragraph 43**

Appendix 1

Audit methods

Exhibit 2 below sets out the methods we used to deliver this work.

Element of audit approach	Description
Interviews	<p>We interviewed the following Senior Officers and Independent Members:</p> <ul style="list-style-type: none">• Chair of DHCW• Chief Executive• Executive Medical Director• Executive Director of Strategy• Director of Corporate Affairs/Board Secretary• Independent Member/Chair of the Digital Governance and Safety Committee• Independent Member/Chair of the Programme Delivery Committee• Head of Engagement and Strategic Partnerships• Senior Engagement and Strategic Partnerships Manager• Representative from Atos
Observations	<p>We observed:</p> <ul style="list-style-type: none">• Public Board; and• Board development session.

Element of audit approach	Description
Documents reviewed	<p>We reviewed a range of documents, including but not limited to:</p> <ul style="list-style-type: none"> • Board and committee papers and minutes • Atos Stakeholder Review 2024 • DHCW Engagement Strategy and Action Plan • Reports prepared by the Internal Audit Service • DHCW Annual Reports • Organisational Strategy 2024-2030 • Integrated Medium Term Plan 2024-27 • Communications Strategy • Integrated Organisational Performance Reports • Stakeholder Engagement Strategy Updates • Digital Programme Assurance Updates • Senedd Health and Social Care Committee and Public Accounts and Public Administration Committee joint report ‘Scrutiny of Digital Health and Care Wales’

Appendix 2

Management response to audit recommendations

Exhibit 3: DHCW response to our audit recommendations

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R1	DHCW should ensure that there are sufficient resources within the Engagement and Strategic Partnership Team to lead and deliver both the outstanding Engagement Strategy actions and actions arising from the Atos review.	<p>DHCW has appointed a dedicated resource to lead delivery of the Stakeholder Review Action Plan.</p> <p>DHCW is moving to a work package model, increasing core resource and allowing a more flexible resourcing model to meet the changing needs of programmes and services at different stages, this includes with Engagement.</p>	<p>February 2025</p> <p>March 2026</p>	<p>Head of Engagement and Strategic Partnerships (Completed)</p> <p>Head of Engagement and Strategic Partnerships</p>

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R2	DHCW should ensure that there are systems and processes in place to establish effective clinical engagement on all key digital programmes. As part of this, DHCW should consider how it can attract or incentivise clinical engagement, particularly in key clinical digital programmes.	<p>DHCW has strengthened clinical engagement on programme assurance Groups and Boards and has appointed a number of clinical leads and Assistant Medical Directors.</p> <p>DHCW will further refine its approach to clinical engagement, which will include aligning with the outcomes of the Welsh Government commissioned DDaT Governance Review.</p>	<p>April 2025</p> <p>December 2025</p>	<p>Completed</p> <p>Assistant Director of Business Change & Clinical Informatics</p>
R3	DHCW should ensure resilience in its engagement arrangements to maintain continuity and ongoing relationships with stakeholders where there is staff turnover in key roles.	DHCW will ensure all programmes have engagement plans with stakeholder maps and regular reporting to ensure consistency and learning and insights are shared.	March 2026	Head of Engagement and Strategic Partnerships (working with Head of Portfolio Management Office)

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R4	<p>DHCW should:</p> <p>R4.1 use stakeholder engagement to strengthen how it aligns its own and key stakeholders' IMTP digital requirements so that they are, where relevant, incorporated into the DHCW planning process; and</p> <p>R4.2 clearly communicate delivery plans, risks and mitigating actions with stakeholders so that they are appropriately informed.</p>	<p>DHCW will utilise the exec level engagement sessions with all NHS Wales partners to share and discuss alignment of priorities and IMTP deliverables and will further promote the joint planning sessions with NHS Wales partners.</p> <p>DHCW will use standardised processes and tools for sharing and communicating product roadmaps.</p> <p>DHCW will refresh governance for DHCW service management.</p>	<p>December 2025</p> <p>September 2025</p> <p>March 2026</p>	<p>Head of Engagement and Strategic Partnerships</p> <p>Assistant Director of Digital Delivery/Associate Director, Products Single Record</p> <p>Assistant Director of Service Management</p>

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R5	Digital programme updates to the Programme Delivery Committee and Board should routinely provide assurance on DHCW's response to stakeholder feedback. This could include examples of feedback received on key initiatives/programmes and actions it has taken in response.	DHCW will embed use of standard engagement plans and reporting across all DHCW programmes.	March 2026	Head of Engagement and Strategic Partnerships (working with Head of Portfolio Management Office)
R6	Updates to Board on delivery of the Stakeholder Engagement Strategy should be clearer around completed actions, plan changes, and new objectives or activities.	DHCW tracks progress against plans through the IMTP and monthly milestones management process. Future updates to DHCW Management board on the Stakeholder Engagement will include reference to the detail on these as an appendix.	March 2026	Head of Engagement and Strategic Partnerships



Audit Wales

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

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