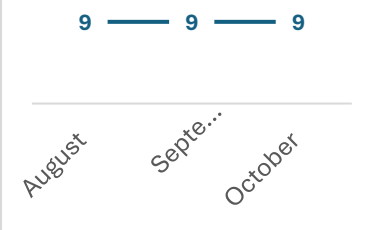


| Risk Reference and Link to Strategic Priority | Risk Description | | | |
|---|---|--|--|---|
| <p>SRR2</p> <p>Strategic Priority</p> <p><i>“Enabler Risk and incorporates all Strategic Priorities.”</i></p> | <p>There is a risk that: The organisation could experience poor organisational health.</p> <p>Caused by:</p> <ol style="list-style-type: none"> 1. Ineffective organisational leadership and governance 2. Lack of progress towards our ideal organisational culture 3. Inability to appropriately engage, develop and enable our people to deliver our Long-Term Strategy 4. Lack of adequate capacity or capability to deliver BAU/IMTP/SP route maps and flexibility/ adaptability/ readiness for change. <i>This includes capacity and capability for change management and benefits realisation in light of the significant change agenda particularly in the digital and data space.</i> 5. Lack of integrated and strategic workforce planning <p>Resulting in: diminished ability to deliver strategic priorities, reduced adaptability and innovation, poor attraction, engagement and retention, and erosion of stakeholder confidence.</p> | | | |
| <p>Executive Director Sponsor</p> | <p>Director of People and Organisational Development</p> | | | |
| <p>Assuring Committee</p> | <p>People and Organisational Development Committee</p> | | | |
| Trend | Current Position of Risk Including Risk Appetite and Risk Decision | Position Statement – Executive Director Update | | |
|  <p>Current Score = 9 Target Score = 6 Therefore, within risk appetite tolerance level.</p> | <table border="1" data-bbox="481 959 1256 1094"> <tr> <td data-bbox="481 959 730 1094">Willing</td> <td data-bbox="736 959 1256 1094">PHW is eager to be innovative and take on a high level of risk, but only in the right circumstances.</td> </tr> </table> | Willing | PHW is eager to be innovative and take on a high level of risk, but only in the right circumstances. | <p>Progress continues in addressing the risk of poor organisational health through a co-ordinated programme of strategic actions aligned to our IMTP commitments.</p> <p>Key developments include:</p> <ul style="list-style-type: none"> • Implementation of a culture pulse survey to determine progress since the full Organisational Culture Inventory assessment in 2023. Results will be shared with the Executive team during October. The response rate increased from 423 in 2023 to 852. |
| Willing | PHW is eager to be innovative and take on a high level of risk, but only in the right circumstances. | | | |

| | | |
|--|--|---|
| | | <ul style="list-style-type: none">• The People Strategy 2035 implementation plan is on track for delivery at the end of Q3 as per the IMTP commitment. The implementation plan will set out the road map for delivering our five people strategy themes and unify our Long-Term Strategy and People and OD approaches. Assurance will be provided to PODCOM on the 14th of October.• The Leadership and Management Academy has successfully completed 3 cohorts, a further 3 are underway and nominations are currently being sought for 3 more, supporting our ambition to strengthen leadership capability and confidence at all levels.• Work has commenced on scoping improvement in the provision which targets the development of basic management skills, with the intention of piloting in priority areas of the organisation.• Progress has been made with embedding Strategic Workforce Planning in the Integrated Planning process.• Ongoing work to embed the Duty of Quality and standardised governance practices, and assessment of our organisational approach to equalities work. <p>We continue to monitor progress, with a view to reassessing the risk score and consideration will be given to this as part of the discussions about the culture pulse survey results.</p> |
|--|--|---|

Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹

C1: Ineffective organisational leadership and governance

| Control Reference | Internal Control | Internal Sources of Assurance | How/When is it monitored? |
|--------------------|--|---|---|
| <p>C1.1</p> | <p>The refreshed Long-Term Strategy, Strategic Priority Route Maps and Integrated Medium-Term Plans (IMTP), provide clear strategic direction and are monitored through regular reporting cycles.</p> <p>Targeted and regular development of the Business Executive Team (BET) to enhance strategic oversight and decision-making.</p> <p>A systemic programme of work which will increase leadership and management skills, capacity and confidence including formal learning.</p> <p>Compliance with Standing Orders, Scheme of Delegation, and Board Etiquette Protocol.</p> <p>Implementation of an organisation-wide Records Management system.</p> | <ul style="list-style-type: none"> • BET/Board minutes • IMTP reporting • PODCOM minutes • Internal Audit and Audit Wales reports | <ul style="list-style-type: none"> • Regular BET/Board meetings • Ongoing IMTP milestone tracking • Regular PODCOM meetings • Annual accountability reporting to Welsh Government |

¹ Three Lines of Defence Model

First – Operational Management control of organisational risks

Second – Risk management and compliance functions, reporting to senior management

Third – Internal audit to provide assurance.

| Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹ | | | |
|--|--|-------------------------------|---------------------------|
| C1: Ineffective organisational leadership and governance | | | |
| Control Reference | Internal Control | Internal Sources of Assurance | How/When is it monitored? |
| | <p>Embedding the Duty of Quality and standardised governance practices.</p> <p>Assessment of our organisational approach to equalities work.</p> | | |

| Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹ | | | |
|--|--|--|---|
| C2: Lack of progress towards our ideal organisational culture | | | |
| Control Reference | Internal Control | Source of Assurance | How/When is it monitored? |
| C2.1 | <p>Use of the Organisation Culture Inventory (OCI) to assess progress against cultural priorities.</p> <p>A Cultural Narrative which articulates the desired organisational culture and values. Championed by a network of Cultural Advocates across the organisation.</p> <p>Agreement of a strategic and integrated approach to improving staff experience with a focus on embedding behaviours that align with the ‘Being Our Best’ framework and fostering a psychologically safe and inclusive environment.</p> | <ul style="list-style-type: none"> • Staff Survey and OCI results • IMTP reporting | <ul style="list-style-type: none"> • Employee engagement measures developed in 2024-2025 • Annual staff survey • OCI progress tracking (Culture Pulse survey in Q2 2025/26) • Ongoing IMTP milestone tracking |

Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹
C3: Inability to appropriately engage, develop and enable our people to deliver our Long-Term Strategy

| Control Reference | Internal Control | Source of Assurance | How/When is it monitored? |
|-------------------|---|--|---|
| C3.1 | <p>A strategic approach to engagement, and a comprehensive approach to workforce development, underpinned by the People Strategy and Strategic Workforce Planning (SWFP) framework.</p> <p>Learning and development needs are identified through annual reviews and SWFPs, ensuring alignment with organisational goals. These are supported by a comprehensive learning and development offer.</p> | <ul style="list-style-type: none"> • Learning and development records • Staff survey insights • SWFPs • IMTP reporting | <ul style="list-style-type: none"> • Performance Assurance Reporting • Annual staff survey • Regular review of SWFPs/ workforce actions • Ongoing IMTP milestone tracking |

Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹
C4: Lack of adequate capacity or capability to deliver BAU/IMTP/SP route maps and flexibility/ adaptability/ readiness for change

| Control Reference | Internal Control | Source of Assurance | How/When is it monitored? |
|-------------------|---|--|---|
| C4.1 | <p>Change management support for Tier 1 and 2 organisational change provided by the Programme/Project Management Office and People and OD.</p> <p>Change is delivered in partnership with Trade Unions.</p> | <ul style="list-style-type: none"> • IMTP reporting • Change programme boards • Local Partnership Forum / Joint Medical and Dental Negotiation Committee minutes • Training compliance from PMO | <ul style="list-style-type: none"> • Ongoing IMTP milestone tracking • Regular programme progress reporting • Regular partnership working meetings • Audit against PMO standards and SOPs • Gateway reviews • Narrative from staff survey on experience of being part of a change programme. |

Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹
C4: Lack of adequate capacity or capability to deliver BAU/IMTP/SP route maps and flexibility/ adaptability/ readiness for change

| Control Reference | Internal Control | Source of Assurance | How/When is it monitored? |
|-------------------|---|--|---------------------------|
| | <p>Learning and development and supporting guidance for change management, as well as support for those going through change.</p> <p>Organisational change work is embedded within the IMTP, designed to enable effective delivery of both business-as-usual and strategic initiatives.</p> <p>PMO provide specific training and support on benefits realisation and how this can be implemented and progressed throughout PHW.</p> | <ul style="list-style-type: none"> Change programmes have benefits realization as a standard reporting outcome. | |

Internal System of Controls – Linked to ‘Caused By’ section of Risk Description and Source of Assurance ¹
C5: Lack of integrated and strategic workforce planning

| Control Reference | Internal Control | Source of Assurance | How/When is it monitored? |
|-------------------|---|---|---|
| C5.1 | <p>An established Strategic Workforce Planning (SWFP) process and framework, including clear roles and responsibilities. The framework is designed to align with the timeframe of the Long-Term Strategy.</p> | <ul style="list-style-type: none"> SWFPs IMTP reporting | <ul style="list-style-type: none"> Regular review of SWFPs/ workforce actions Ongoing IMTP milestone tracking |

| Gaps in Assurance / Action Plans for the cause C1 | | | | | | |
|---|--|--|--|---------------------------|---------------|------------------------------------|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP1.1 | Deliver a systemic programme of work which will increase leadership and management skills, capacity and confidence (IMTP Q4). | IMTP milestone reporting Participation rates Evaluation feedback Framework adoption | Builds leadership capability and confidence, supports strategic delivery Ensures leadership continuity and strategic workforce resilience | Director of People and OD | 31 March 2026 | October 2025 updates: On track. |
| AP1.2 | Embed the Leadership and Management Academy. | Talent pipeline metrics | Robust, standardised approach to organisational governance | Director of People and OD | 31 March 2026 | |
| AP1.3 | Establish a clear vision for succession planning and talent management (IMTP Q4). | | | Director of People and OD | 31 March 2026 | |
| AP1.4 | Standardised approach to Governance and Quality Management / Duty of Quality/ Continue to embed the Quality Oversight Group and Duty of Quality. | | | | | |

| Gaps in Assurance / Action Plans for the cause C2 | | | | | | |
|---|--|--|---|---------------------------|-------------------|---|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP2.1 | A refreshed People Strategy and Implementation Plan. This strategy is vital for multiple causes, particularly C2-4. PS implementation plan (IMTP 2025/26 deliverable). | People Strategy Implementation Plan IMTP milestone reporting Implementation milestones | Embeds cultural values and supports inclusive organisational development Clear longer-term roadmap for employee experience | Director of People and OD | 31 December 2026 | October 2025 updates: AP2.1 on track. Assurance will be provided to PODCOM on the 14 th October. AP2.2 complete. |
| AP2.2 | Deliver the Employee Experience Roadmap (IMTP Q2) | Staff feedback/ Staff survey engagement scores | Enhances workplace culture and staff satisfaction. | Director of People and OD | 30 September 2026 | |

| Gaps in Assurance / Action Plans for the cause C3 | | | | | | |
|---|---|--|---|---------------------------|---------------|--|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP3.1 | Links to C2, People Strategy implementation plan, employee experience roadmap, and strategic approach to engagement will engage, develop, and enable our people to deliver. | Staff feedback/ Staff survey engagement scores Take up of performance management approach IMTP milestone reporting | Supports engagement, development, and strategic alignment Supports career development and workforce planning | Director of People and OD | 31 Dec 2026 | October 2025 updates: All actions are on track. The Job Family Steering Group will meet for the first time in November. Assurance on progress with the Job Family approach will be |
| AP3.2 | Develop a performance management approach | | | Director of People and OD | 31 March 2026 | |

| Gaps in Assurance / Action Plans for the cause C3 | | | | | | |
|---|---|-------------------------------|--|---------------------------|---------------|---|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP3.3 | that focuses on delivery, growth, development and baseline for evaluation (IMTP Q4). Implement the Job Families framework (IMTP Q4). | | | Director of People and OD | 31 March 2026 | provided to PODCOM on the 14 th October. |

| Gaps in Assurance / Action Plans for the cause C4 | | | | | | |
|---|---|--|--|---|---|---|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP4.1 | Develop the implementation plan for the 'Designed to Deliver' element of the People Strategy | IMTP reporting Change programme reporting | Improved capability in the skills to manage change well, and capacity to support organisational change | Director of People and OD | 31 December 2026 | October 2025 updates AP4.1 / 4.2 on track. AP4.4, dependency on track for delivery. |
| AP4.2 | Provide change management support and learning and development via PMO and POD. | Change readiness assessments L&D needs analysis/identification of future skills/scarce skills and strategic alignment | Builds organisational capability and adaptability Ensures the organisation has the agility to respond to future challenges. | Directors of People and OD / Finance and Operations | 31 March 2026 | |
| AP4.4 | Deliver a sustainable skills development programme aligned to strategic priorities. Also links to C3) | | | Director of People and OD | Dependent upon the People Strategy Implementation plan, milestone | |

| Gaps in Assurance / Action Plans for the cause C4 | | | | | | |
|---|---|---|--|---|--------------------------------------|----------|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP 4.5 | Ensure DDDA fulfils the role of gatekeeping new change programme proposals | Periodic programme review as per best practice standards. | Driving up standards and providing senior management oversight of capacity and capability. | DDDA Membership | date 31 December 2026 Ongoing | |
| AP4.6 | BET/Programme Change Board to provide a structured approach to ensure capability and capacity is assessed before formal agreement and ensure benefits realisation plan links to proposal. | Reports received at the Change Board reflecting the requirements. | Executive/Director oversight and assessment. | Change Board membership and Executive Directors | Ongoing | |

| Gaps in Assurance / Action Plans for the cause C5: | | | | | | |
|--|--|--|---|---------------------------|---------------|-----------------------------------|
| Reference | What Action? | How will we measure efficacy? | How will this action impact/mitigate the risk? | Who is Responsible? | By When? | Progress |
| AP5.1 | Integration of the SWFP process and framework with operational and financial planning / Strategic and operational workforce plan as an embedded element of the IMTP process (IMTP Q4). | IMTP milestone reporting Alignment with IMTP, SEP, and strategic priorities | Ensures long-term workforce sustainability and strategic alignment Improves resource efficiency and strategic delivery | Director of People and OD | 31 March 2026 | October 2025 Updates On track. |

