

Management and governance of the Implementation Groups' funding allocations

**Advisory Report
2020/21**

NHS Wales Health Collaborative

NHS Wales Shared Services Partnership

Audit and Assurance Services

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1. Introduction and Background

NHS Wales Health Collaborative (the 'Collaborative') is a hosted body of Public Health Wales NHS Trust (the 'Trust'), and as such uses the same standing financial instructions and standing orders.

The Collaborative provides managerial and administrative support to nine 'implementation groups' (IG) which are tasked with the ongoing development and implementation of national delivery plans. Each were allocated funding of £1m per annum to support this. While the current iterations of the delivery plans run until the end of 2020/21, funding for implementation groups has recently been confirmed until the end of 2021/22.

The nine implementation groups are:

- Cancer
- Heart conditions
- Critical illness
- Respiratory illness
- Diabetes
- Liver disease
- Stroke
- Neurological conditions
- End of life

Three implementation groups (Cancer, Heart Conditions and Critical Illness) are closely aligned with, and supported by, clinical networks within the Collaborative, with these implementation groups also acting as the network board. The remaining six implementation groups each developed their own support staffing arrangements funded from their £1m allocations.

In February 2018, the Collaborative Executive Group (NHS Wales chief executives meeting to oversee the work of the Collaborative) agreed that the Collaborative would become responsible for managing and delivering managerial and administrative support to the six implementation groups without clinical networks. The existing support staff were transferred to the Collaborative in early 2019/2020.

Each implementation group has managed and targeted its allocation in different ways, such as, allocating the majority of funding to different short-term initiatives or to projects on a rolling basis. Funding has been directed to health boards and trusts, the voluntary sector and universities, and also to procure goods and services from the private sector.

In July 2020, the Collaborative Executive Group agreed that the Collaborative should take on responsibility for the management of the implementation groups funding allocations, on behalf of those implementation groups. As a result, Welsh Government allocated £9m in 2020/21 to the Collaborative for management and ongoing allocation under

the direction of the implementation groups. In taking on this responsibility the Collaborative inherited funding commitments and contractual arrangements made under previous arrangements for managing the allocations.

2. Scope and objectives

This advisory review looked at the governance process followed in relation to funding commitments and contractual arrangements inherited by the Collaborative to consider their alignment with its own procedures in order to ensure they satisfy financial transactions being made through the Collaborative and Public Health Wales. This may also allow the Collaborative to form a judgment in relation to the appropriateness of the continuation of existing contractual arrangements and commitments.

Our review focused on a sample of commitments and contractual arrangements made with organisations external to NHS Wales and inherited by the Collaborative in respect of the following six implementation groups:

- Respiratory illness
- Diabetes
- Liver disease
- Stroke
- Neurological conditions
- End of life

We sought to understand if:

- Appropriate procurement and contractual documentation exists and has been transferred to the Collaborative which provides assurance to staff of the Collaborative in managing and processing financial transactions for current and continuing commitments with external bodies, in accordance with the Standing Orders and Standing Financial Instructions followed by the Collaborative.
- Documentation has been completed and authorised at an equivalent level to that identified in the Collaborative's process. This would include the approval by a committee of the Board of the relevant organisation.
- There is a difference between the approach taken by the organisation that made the commitment and the approach identified in the Standing Orders and Standing Financial Instructions followed by the Collaborative.

3. Associated risks

The potential risks considered in the review were as follows:

- value for money is not achieved as a result of weak procurement processes;

- financial loss to the Collaborative if the successful provider is not financially viable; and
- Collusion or fraud occurs as a result of ineffective procurement processes.

4. Summary

The Collaborative inherited 27 projects to be delivered by organisations that are external to the NHS. The details of the projects are set out in a document called *Summary of All Implementation Groups 2020/21 Financial year – financial statement spreadsheet* (the 'summary document').

We understand that this document is used by the Collaborative Executive Group. We used this control document to select a sample of 13 projects to test against the agreed objectives of this review. The table below shows how our sample of projects were spread across the implementation groups:

Implementation group	No. of projects in sample	No. of projects where information received	No. of projects where information not received
Stroke	3*	3	-
Respiratory	2	2	-
Liver	3	2**	1
End of Life	1	-	1
Neurological	1	-	1
Diabetes	3	-	3
Total	13	7	6

* Grant funded

** Information provided for the two projects related to a period prior to transfer to the Collaborative. We did not receive information relating to these projects for the period where responsibility had transferred.

We did not receive supporting information for 6/13 of the projects within our sample:

- The Collaborative had not received information for one of the projects within the Liver IG, or for one within the Neurological IG, which had subsequently changed purpose and name.
- Our investigation identified that four projects inherited, and within our sample, had not proceeded (one for End of Life, and three for Diabetes).

For the five projects where we were provided with information, we set out our summarised findings below. Further detail is attached in Table 1, appendix A.

Objective 1

Appropriate procurement and contractual documentation exists and has been transferred to the Collaborative.

We reviewed three projects from the Stroke implementation group and two from the Respiratory implementation group.

Stroke

- The three projects from the Stroke Implementation Group received payments via grants. Minutes of the Implementation Group showed that the bids had been successful, but we did not see evidence of a Grant Payment Authorisation Form, or a form that would provide similar information relating to appropriate procurement or contractual arrangements for any of the grants that had been awarded.

Respiratory

- For one of our sample relating to a project from the respiratory IG we were provided with documentation for three projects whose names and costs did not agree with the information on the original spreadsheet. While we received authorisation documentation it did not appear to be in accordance with P2P, SFI and SOs of the Trust.
- We also selected a second project to test that was managed within the Respiratory Implementation Group. However, the project documentation did not align to the project title within the summary document and therefore we are unsure as to whether the project changed its purpose.

In addition, the project costs within the supporting documentation did was more than the project costs identified on the summary document. The documentation that we received was not in accordance with P2P, SFI and SOs of the Trust.

Objective 1: Conclusion

The lack of clear documentation provided for the five projects does not provide sufficient information to determine if the projects are in accordance with requirements of the Trust's P2P, Standing Financial Instructions or Standing Orders.

Objective 2

Documentation has been completed and authorised at an equivalent level to that identified in the Collaborative's process.

Stroke

For the three grants that we reviewed, there was an accompanying letter of grant confirmation sent from the Stroke Implementation Group to the grant applicant detailing the funding to be provided and how it was to be utilised. The letters had been authorised by the Executive Director of Therapies at the approving Health Board.

The authorisation appears appropriate for two of the three grant approval letters, but one (relating to SRI20/2020 Associating gait impairments to micro-structural changes in the brain in subacute stroke patients), was above the Executive Director's threshold for approval, so does not appear to have been appropriately authorised.

Respiratory

While the authorisation for one of the projects we reviewed appears appropriate as it was completed by the Chief Executive of the Health Board, it was completed after the start of the project.

The second project, relating to Patient Management Systems Support Contract, had been signed by the Chief Executive after it had transferred to the Collaborative. It is unclear if the Chief Executive would have had the authority to approve such an authorisation.

Objective 2: Conclusion

Overall, three projects were approved appropriately, but two were not in line with the equivalent levels at the Collaborative. Furthermore, one of the respiratory projects was approved after the project had started and the other project had been transferred to the Collaborative but still signed by the Chief Executive.

Objective 3

There is a difference between the approach taken by the organisation that made the commitment and the approach identified in the Standing Orders and Standing Financial Instructions followed by the Collaborative.

For 3/5 of the projects that we reviewed, they were broadly in line with expectations as they had been appropriately authorised. However, for two of the projects, it appears that the approach taken by the organisation's that made the commitments and the approach required by the Collaborative did not align.

Objective 3: Conclusion

The approach taken by the organisations and the Collaborative may be different but the documentation that we were provided with did not appear to give a complete picture of the approach taken by the previous organisations. However, documentation authorising the commitments, by an officer with appropriate seniority was evidenced for some of the projects.

5. Overall conclusion

We were not provided with clear supporting documentation for any of the 13 projects that we tested. Where information was received, there were issues with:

- The completeness of the documentation that we received, meaning that we were unable to clearly conclude if the projects were in accordance with the P2P, Standing Orders and Standing Financial Instructions followed by the Collaborative.
- The project titles and costs that were detailed on the summary document did not always correspond to the documentation that we received.
- The authorisation approval process at the predecessor health organisation was not at an equivalent level to that identified in the Collaborative's process for 2 of 5 of the projects that we reviewed.

The Collaborative need to consider the information it has received to date and the outcome of this review to determine the next steps with regards to these projects.

We were advised that the Collaborative have been working closely with colleagues within Public Health Wales NHS Trust and NHS Wales Shared Services Partnership Procurement to carry out some further work around the governance of ICST and to ensure that any payments made to ICST for work undertaken in 2020/21 were appropriately made and any issues that need to be reported to the Trust's Audit and Corporate Governance Committee are identified, specified and appropriately reported.

Table 1: Projects funded through tender process

We would expect to see an appropriately signed high cost procurement document for all projects with a value great than £60k. If the project invited one organisation to provide the service, we would expect to see a VEAT notice in place.

Ref.	Provider, project name and value	Transferred from	Observations and conclusion
Respiratory Implementation Group			
1	ICST Ltd: National guideline, x20 NWSs & RCP Q1 programme X 3 self management apps2	Cardiff & Vale UHB	<p>In our sample we requested information for an ICST Ltd project titled '<i>National guideline, x20 NWSs & RCP Q1 programme X 3 self -management apps2</i>', with a project value of £600k. However, we were provided with documentation for three separate projects, with a combined value of more than £1million:</p> <ul style="list-style-type: none"> • Education Programme for Digital Competencies (£480k) - The Procurement Report (the award notice) was authorised by C&VUHB Director of Therapies. A 'Request for Approval' was authorised by the C&V UHB Chief Executive. • Education Programme for Digital Competencies to support the NHS Wales Winter Plan (£425k) – While the 'Request for Approval' document was signed by the Health Board's Director of Corporate Governance; it was authorised by its Chief Executive Officer after the project had started. • Digital Education & Quality Improvement Project for Wales (£398k) - A 'Procurement Report' was signed by the Assistant Director of Therapies after the project started. The Request for Approval was signed by the C&V UHB Chief Executive after the project started • Each of the separate projects had a VEAT notice in place in 2019/20. <p>Conclusion: The three projects related to the project that we sampled appear to have been authorised at an appropriate level of seniority, although the timing was not in line with good practice.</p>

Ref.	Provider, project name and value	Transferred from	Observations and conclusion
2	RIOMED: Respiratory Health Implementation Group - Patient Management Systems Support Contract (£361k)	Cardiff & Vale UHB	<p>In our sample we requested information for a Riomed project titled '<i>Databases x7</i>', with a project value of £100k. However, we were provided with documentation for the <i>Patient Management Systems Support Contract</i> for 5 years, with a value of £291k. While we note that the information provided may fall within the databases x7 project, it is not clear from the documentation.</p> <p>We were provided with a 'procurement report' email authorised by the Assistant Director of Therapies dated the day the project started.</p> <p>We were also provided with a 'Request for Approval' document which was signed by the C&V UHB Chief Executive after the start of the project. We note that this document was also signed by the Interim Director of Finance, via email, after the project had started.</p> <p>The Award notice stated four tenders had been received but no reason was given for Riomed being awarded the project.</p> <p>Conclusion: Based on the documentation received, while the project appears to have been approved at an appropriate level of seniority, the Collaborative should consider the timing of the approval.</p>
End of Life - Implementation Group			
3	Bangor University: Compassionate communities (£50k)	Velindre Trust	<p>We requested information – When sample information provided, we were advised that this project did not proceed.</p> <p>Conclusion: N/A</p>

Ref.	Provider, project name and value	Transferred from	Observations and conclusion
Neurological - Implementation Group			
4	WNMN: Development of specialist physiotherapy service for adult patients with neuromuscular conditions and Family Care Advisor (£120k)	Aneurin Bevan UHB	No documentation provided. We have since been advised that the WNMN payment is directly paid by Cardiff and Vale UHB. Conclusion: Unable to conclude
Liver - Implementation Group			
5	ICST Ltd: Professional Education – Training and Quality Improvement Programme. (£120k)	Aneurin Bevan UHB	Information that we received related to 2019/20, before the transfer to the Collaborative. No further information received. Conclusion: Unable to conclude as documentation provided related to time period prior to transfer to the Collaborative.

Ref.	Provider, project name and value	Transferred from	Observations and conclusion
6	Hepatitis C Trust: Patient Support & Education Programme (£75k)	Aneurin Bevan UHB	We were provided with an email that was sent to the Hepatitis C Trust from the Liver Disease Implementation Group relating to 2018/19. No further documentation provided. This has been taken forward via the grant process. Conclusion: Unable to conclude as documentation provided related to time period prior to transfer to the Collaborative.
7	British Liver Trust: Patient Support & Education Programme (£141k)	Aneurin Bevan UHB	No documentation provided during our fieldwork. This will be taken forward under the grant process in future. Conclusion: Unable to conclude
Diabetes - Implementation Group			
8	AWDIG: Digital Diabetes (£46k)	Cwm Taf Morgannwg UHB	We requested information – When sample information provided, we were advised that this project had not proceeded due to the pandemic. Conclusion: N/A
9	AWDIG: Centralised Microalbuminuria	Cwm Taf Morgannwg UHB	We requested information – When sample information provided, we were advised that this project had not proceeded due to the pandemic. Conclusion: N/A

Ref.	Provider, project name and value	Transferred from	Observations and conclusion
	Management (£80k)		
10	AWDIG: Patient Activation Measure (£20k)	Cwm Taf Morgannwg UHB	We were advised that procurement has not been taken forward and the Collaborative are exploring whether limited access can be progressed via the STA process. Conclusion: N/A

Table 2: Grant funded projects

The Collaborative's grant authorisation process (Management of SLAs and grant payments) requires a grant payment authorisation form to be signed by a divisional director, (up to £30k), an executive director (for grants up to £60k), or the Chief Executive Officer (for grants up to £100k).

Ref.	Provider, project and value	Transferred from	Grant Form	Sign off: Divisional Director	Sign off: Executive Director	Sign off: Chief Exec	Observations and conclusion
Stroke – Implementation Group							
11	Cardiff University (CUBRIC): SRI12/2020 Using Neuroimaging and Neurostimulation to Identify Movement-Related Stroke Recovery Biomarker (£49k)	Cardiff & Vale UHB	No form but grant approval letter provided	Not sighted	Letter signed by the Chair of the stroke implementation group / C&V UHB Executive Director of Therapies and Health Science	N/A	<p>We were provided with grant application document and the approval letter issued by the Stroke Implementation Group.</p> <p>However, we have not been provided with information to the same level of detail that we would expect from grant documentation, such as that set out in the <i>management of service level agreements and grant payments guidance</i>.</p> <p>Conclusion</p> <p>The supporting letter appears to be signed in line with the Collaborative's expectations.</p> <p>The Collaborative should consider if further information is needed with regards to the detailed scheduling and monitoring of the grant.</p>

Ref.	Provider, project and value	Transferred from	Grant Form	Sign off: Divisional Director	Sign off: Executive Director	Sign off: Chief Exec	Observations and conclusion
12	Cardiff & Aberystwyth Universities: SRI20/2020 Associating Gait Impairments to Micro-structural Changes in the Brain in Subacute Stroke Patients (£63k)	Cardiff & Vale UHB	No form but summary letter of approval provided	No evidence	Letter signed by the Chair of the stroke implementation group / C&V UHB Executive Director of Therapies and Health Science but above their threshold	No evidence	<p>From our request for documentation we were provided with the minutes of the Stroke Implementation Group that summarised the successful funding bids.</p> <p>The Collaborative would expect a grant in excess of £60k to be approved by the Chief Executive. In this instance an Executive Director of the Health Board approved the grant. It is unclear if the approval was in accordance with Health Board delegated approval limits.</p> <p>Furthermore, we have not been provided with information to the same level of detail that we would expect from grant documentation, such as that set out in the <i>management of service level agreements and grant payments guidance</i>.</p> <p>Conclusion:</p> <p>The Collaborative should consider if they are content with the approval inherited from the Health Board.</p>

Ref.	Provider, project and value	Transferred from	Grant Form	Sign off: Divisional Director	Sign off: Executive Director	Sign off: Chief Exec	Observations and conclusion
							The Collaborative should consider if further information is needed with regards to the detailed scheduling and monitoring of the grant.
13	Stroke Association Wales: SRI21/2020 Stroke Association Community for Patients During Covid-19 (£29k)	Cardiff & Vale UHB	No form but summary letter of approval provided	Not provided	Letter signed by the Chair of the stroke implementation group / C&V UHB Executive Director of Therapies and Health Science	N/A	<p>Whilst authorisation was not in line with Trust guidance the letter approving the grant was authorised by the C&VUHB Executive Director of Therapies and Health Science.</p> <p>We have not been provided with information to the same level of detail that we would expect from grant documentation, such as that set out in the <i>management of service level agreements and grant payments guidance</i>.</p> <p>Conclusion:</p> <p>The Collaborative should consider if they are content with the approval inherited from the Health Board.</p> <p>The Collaborative should consider if further information is needed with regards to the detailed scheduling and monitoring of the grant.</p>

