

FINANCE DELIVERY UNIT

Annual Assurance Statement 2022-23

April 2023

Introduction

The Finance Delivery Unit was formally established in 2018 by Welsh Government in order to enhance NHS Wales capacity to:

- Monitor and manage financial risk in NHS Wales and to respond at pace where organisations are demonstrating evidence of potential financial failure; and
- Accelerate the uptake across NHS Wales of best practice in financial management and technical and allocative efficiency.

Since its inception, the work programme and capacity of the Unit has grown exponentially which, in 2021/22, included the development and implementation of a refreshed Organisational Strategy & Business Plan to identify **six strategic pillars**.

The Unit has expanded to a total budgeted establishment of 24 WTE and although has experienced the same recruitment challenges as the wider system, an **additional 4 WTEs have been successfully recruited during 2022/23**, with a total of 22 staff in post at the end of the year. The Unit facilitates part-time and flexible working arrangements for our staff, in line with PHW's Work How It Works Best policy.

As a team we are passionate about facilitating improvements to NHS Wales and are passionate about the principles of Value-Based Healthcare in improving health outcomes for our population. As a trusted partner and critical friend we provide objective advice, and support and challenge the development of a financially sustainable system.

Hosting arrangement

The Finance Delivery Unit is accountable to the Director of Finance, Health and Social Services Group at Welsh Government, and hosted by Public Health Wales on behalf of Welsh Government. This agreement, signed by all parties requires:-

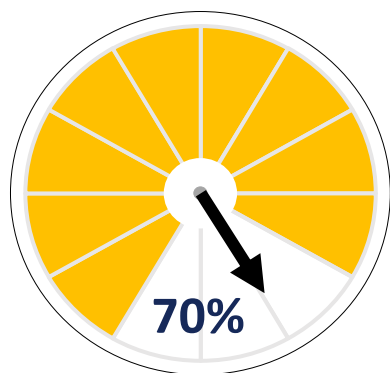
- Six monthly formal review meetings to discuss the Unit's progress on governance arrangements and any particular issues relating to hosting arrangements;
- Quarterly review meetings to discuss matters relating to workforce, finance and corporate support;
- Attendance at the Public Health Wales Audit Committee at least annually to provide assurance that the Unit is complying with the terms of the hosting agreement;
- Preparation of an Annual Assurance Statement; and
- An Annual Review to be completed in the final quarter of each year.

The Unit has fully complied with these requirements.

The Unit is in frequent contact with the Deputy CEO & Director of Operations and Finance at Public Health Wales with scheduled meetings taking place on a periodic basis.

The Director of the Unit is due to attend the Audit and Corporate Governance Committee on 10th May 2023 to present the Annual Assurance Statement, demonstrating compliance with the terms of the hosting agreement.

Percentage of Staff with a PADR



Sickness Rate



Statutory and Mandatory Training



Forecast Financial Position



Commentary

The Unit continues to have a good, productive relationship with Public Health Wales as it's host and the Executive team, benefitting from the hosting arrangements and the established working relationship. During this year, the Unit has received support from the HR and Organisational Development team with regards to recruitment to vacant posts and undertaking the **Affina Team Performance** survey. We closely work with data governance colleagues from the Risk & Information Governance team gaining advice and assurance on compliance.

The team continue to deliver on all compliance requirements:

- 70% of the team has a signed off Personal Appraisal Development Review ('PADR'). The Unit always strives for 100% compliance, there have been some challenges around staff absence including sickness, maternity leave and staff turnover. The PADR includes SMART objectives based around the Unit's work programme together with personal development objectives.
- At 31 March 2023, compliance with statutory and mandatory training was 94%. As above, there were some staff sickness and maternity absences which impacted end of year compliance, including two new modules, one added to ESR in the final week of the year.
- Sickness has been low during the period. All episodes have been logged on ESR and return to work interviews held in line with the Managing Attendance policy.

The Unit has achieved a breakeven position. Due to staff turnover and phased recruitment, the Unit had a small underspend against its allocation; under the terms of the agreement, arrangements have been made to return this to Welsh Government.

The Unit has Standard Operating Procedures that mirror the requirements of Public Health Wales. The Unit has a compliant asset register and register of interests in place.

Our Forward Look – NHS Executive

The decision to establish an NHS Executive was made in A Healthier Wales in 2018, based on the findings and recommendations of the OECD’s Quality Review and the Parliamentary Review of the Long-term Future of Health and Social Care; both reviews called for a stronger centre, additional transformational capacity and streamlining of current structures. The Executive will bring together existing expertise and capacity from national NHS bodies, including:

- NHS Wales Health Collaborative
- NHS Wales Delivery Unit
- NHS Wales Finance Delivery Unit
- NHS Wales Improvement Cymru



A number of individuals within the Unit have contributed to the workstreams that were set up regarding the establishment of the Executive.

The Unit will operate as the Financial Planning & Delivery Directorate of the NHS Executive from **1st April 2023**, and will remain hosted by Public Health Wales. As a result, this is the final annual assurance statement that will be produced by the Finance Delivery Unit.

The Financial Planning & Delivery Directorate will maintain the legacy position and role of the Finance Delivery Unit; to ensure financial sustainability and delivery, alongside maximising the impact and utilisation of the totality of Health & Social Care Spending in Wales. The directorate will support the pursuit of an integrated quality and safety agenda through supporting a focus and clarity on understanding how the NHS deploys and utilises its resources, and the outcomes delivered from that utilisation of resources, to identify opportunities for improvement.



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