1.3. Monitoring the Use of Local Support & Delivery Funding

1. Purpose and Scope of this Guidance Document

The aim of this document is to advise NHS organisations on how their Local Support and Delivery Funding will be monitored, against 1.2. The Appropriate Use of Local Support & Delivery Funding. This includes the monitoring of the two funding streams within the Local Support and Delivery Funding, namely:

- Delivery Funding
- Development Funding

This document is reviewed annually and is intended to be as helpful as possible. Any feedback on future editions of the guidance should be submitted to the Health and Care Research Wales Support Centre.

This guidance document should be read in conjunction with other guidance documents relating to Local Support and Delivery Funding.

2. Background: Roles and Responsibilities

2.1 Health and Care Research Wales Roles and Responsibilities

The Welsh Government’s, Delivery Framework for Performance Management of NHS R&D advises that under the direction of the R&D Division in Welsh Government, the Health and Care Research Wales Support Centre is responsible for:

- monitoring NHS organisations progress against the national NHS R&D objectives, key indicators and targets by monitoring R&D activity;
- reviewing whether NHS organisations are spending their Local Support and Delivery Funding in line with the Welsh Government’s guidance by monitoring R&D expenditure;
- reviewing whether NHS organisations are demonstrating accurate cost attribution in line with AcoRD for Wales¹.

This guidance document outlines how the Support Centre will review whether NHS organisations are spending their Local Support & Delivery Funding in line with

---

¹ http://www.wales.nhs.uk/sites3/page.cfm?orgid=952&pid=62653
Document developed by Health and Care Research Wales
Guidance for NHS Organisations 2017/18

Welsh Government’s guidance and AcoRD for Wales.

The guidance on how the Health and Care Research Wales Support Centre monitors R&D activity in order to assess progress against national NHS R&D objectives, key indicators and targets is described in guidance document 1.5. Monitoring NHS R&D Activity.

As also outlined in Welsh Government’s Delivery Framework for Performance Management of NHS R&D, the data provided by the Health and Care Research Wales Support Centre will be used to performance manage the Local Support & Delivery Funding.

The Support Centre also has a role in supporting NHS organisations to meet their NHS R&D objectives, indicators and targets. The Support Centre is able to provide advice on NHS R&D funding and help NHS organisations to meet Welsh Government’s requirements.

2.2. NHS Organisations’ Roles and Responsibilities

As outlined in Welsh Government’s Delivery Framework for Performance Management of NHS R&D, R&D Directors are expected to decide strategically how to meet the national NHS R&D objectives and how to subsequently spend their Local Support & Delivery Funding with their Health Board or NHS Trust.

In line with these requirements, R&D Directors in NHS organisations are expected to report on their plans for and use of the Local Support & Delivery Funding, as outlined in this guidance.

3. Financial Monitoring for Local Support & Delivery Funding

Local Support & Delivery Funding is monitored in Wales through an annual cycle of monitoring expenditure, including:

a) Spending plans at the beginning of the financial year
b) A mid-year return half way through the financial year; and

c) An annual return at the end of the financial year.

3.1. Spending Plans

Once NHS organisations are notified by Welsh Government of their Local Support & Delivery Funding for the forthcoming financial year, the Support Centre will request a spending plan. The purpose of the Spending Plan is to:

- Identify how NHS organisations are planning to spend their Local Support & Delivery Funding in the forthcoming financial year across the two funding

Document developed by Health and Care Research Wales
Guidance for NHS Organisations 2017/18

Review whether NHS organisations are planning to spend their Local Support and Delivery Funding in line with, Welsh Government’s guidance: 1.2. The Appropriate Use of Local Support & Delivery Funding.

Review whether NHS organisations are planning to attribute costs appropriately, in line with AcoRD for Wales.

Identify whether NHS organisations require any support to manage their Local Support and Delivery Funding in the coming financial year and whether the Support Centre can provide any additional support.

Spending plans will consist of a qualitative return outlining how NHS organisations plan to spend their Local Support and Delivery Funding in a Word document, along with a quantitative return in the form of an excel spreadsheet outlining planned expenditure.

3.2. Mid-Year Review

In autumn each year, Support Centre will request a completed mid-year return. The purpose of the Mid-Year Review is to:

- Identify how NHS organisations have spent Local Support and Delivery Funding in the first 6 months of the financial year.

- Review how NHS organisations have used their Local Support and Delivery Funding to date, across the two funding streams, and whether expenditure has remained in line with the spending plan submitted earlier in the year.

- Review whether NHS organisations have spent their Local Support and Delivery Funding to date, in line with Welsh Government’s guidance: 1.2. The Appropriate Use of Local Support & Delivery Funding.

- Review whether NHS organisations are attributing costs appropriately, in line with AcoRD for Wales.

- Identify whether NHS organisations are predicting any variance against their total funding allocation within the financial year, so that in the case of an underspend, Welsh Government can make any necessary adjustments to the quarter 4 payments where appropriate.

- Provide an opportunity for NHS organisations to highlight any challenges that they are facing in managing their Local Support and Delivery Funding and whether any additional support is required from the Health and Care Research Wales Support Centre or other supporting organisations.
Guidance for NHS Organisations 2017/18

Mid-year returns will consist of a quantitative return only, outlining the actual NHS R&D allocation spend to date by NHS organisations in an Excel spreadsheet.

3.3. Annual Review

At the end of each financial year, the Support Centre will request a completed annual return. The purpose of the Annual Return is to:

- Identify how NHS organisations have spent their Local Support and Delivery Funding throughout the financial year.

- Review how NHS organisations have used their Local Support and Delivery Funding, across the two funding streams, and whether expenditure has remained in line with the spending plan submitted earlier in the year and the mid-year returns.

- Review whether NHS organisations have spent their Local Support and Delivery Funding in line with Welsh Government’s guidance: 1.2. The Appropriate Use of Local Support & Delivery Funding.

- Review whether NHS organisations have attributed costs appropriately, in line with AcoRD for Wales.

- Provide an opportunity for NHS organisations to highlight any challenges that they faced in managing their Local Support and Delivery Funding and whether any additional support is required from the Health and Care Research Wales Support Centre or other supporting organisations.

- Review NHS organisation’s progress against the national NHS R&D objectives, key indicators and targets outlined in the Delivery Framework for Performance Management of NHS R&D.

Annual returns will consist of a qualitative return outlining how NHS organisations have spent their Local Support and Delivery Funding in a Word document and progress against the national NHS R&D objectives, key indicators and targets, along with a quantitative return in the form of an excel spreadsheet outlining actual expenditure.
4. Process for Monitoring NHS Local Support & Delivery Funding

The Health and Care Research Wales Support Centre has developed reporting templates and supporting guidance for all the returns, which will be circulated to NHS organisations, giving a minimum of 6 weeks to submit the completed returns.

Once received, returns will be collated and analysed by the Health and Care Research Wales Support Centre who will review each return by:

- considering whether NHS organisations have spent their Local Support and Delivery Funding in line with Welsh Government’s guidance: **1.2. The Appropriate Use of Local Support & Delivery Funding**

- considering whether NHS organisations have attributed costs appropriately, in line with **AcoRD for Wales**.

The Health and Care Research Wales Support Centre will contact NHS organisations with any queries on their returns, for example to request additional or missing information, which will be shared with Welsh Government.

5. Feedback to R&D Division, Welsh Government

Following each review the Support Centre will summarise the returns and share them with Welsh Government to inform performance management.

Following the annual review, each return will be shared with Welsh Government, alongside a performance monitoring report for each NHS organisation and a NHS Research Performance Report covering the financial year, which will assess progress against each of the national NHS R&D objectives, key indicators and targets in the Delivery Framework. This information will be used in preparation for the NHS performance management meetings in summer 2018.

Following the spending plan review, mid-year review and annual review, the Health and Care Research Wales Support Centre will also meet with, Welsh Government to discuss the summaries as appropriate.

6. Reporting Schedule

Please see the reporting schedule below which outlines when NHS organisations will be required to submit the various returns.

Document developed by Health and Care Research Wales
## Local Support and Delivery Funding: Reporting Schedule 2017/18

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Description</th>
<th>Approx Date</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017/18</td>
<td>Spending Plan</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Templates/ guidance circulated</td>
<td>March 2017</td>
<td>Support Centre</td>
</tr>
<tr>
<td></td>
<td>Deadline for submissions</td>
<td>May 2017</td>
<td>NHS organisations</td>
</tr>
<tr>
<td></td>
<td>Support Centre feedback to NHS organisations</td>
<td>June 2017</td>
<td>Support Centre</td>
</tr>
<tr>
<td>2017/18</td>
<td>Mid-Year Return</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Templates/ guidance circulated</td>
<td>August 2017</td>
<td>Support Centre</td>
</tr>
<tr>
<td></td>
<td>Deadline for submissions</td>
<td>October 2017</td>
<td>NHS organisations</td>
</tr>
<tr>
<td></td>
<td>Support Centre feedback</td>
<td>October/ November 2017</td>
<td>Support Centre</td>
</tr>
<tr>
<td>2017/18</td>
<td>Annual Return</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Templates/ guidance circulated</td>
<td>March 2018</td>
<td>Support Centre</td>
</tr>
<tr>
<td></td>
<td>Deadline for Submissions</td>
<td>May 2018</td>
<td>NHS organisations</td>
</tr>
<tr>
<td></td>
<td>Health and Care Research Wales Support Centre feedback</td>
<td>June 2018</td>
<td>Support Centre</td>
</tr>
</tbody>
</table>