Delivery Framework - Funding and Performance Management of Local Support and Delivery Funding 2017/18

1. PURPOSE

This Delivery Framework sets out how the Welsh Government will performance manage the NHS organisations in Wales in relation to R&D, through the provision of the Local Support and Delivery Funding provided to each NHS organisation 1.

The Welsh Government will performance manage the NHS organisations’ performance against the national NHS R&D objectives, key indicators and targets. The funding will be performance managed at an individual NHS organisational level.

Welsh Government's Strategic vision for research within the NHS

Welsh Government’s strategic vision is for Wales to be internationally recognised for its excellent health and social care research that has a positive impact on the health, wellbeing and prosperity of the people in Wales.

Welsh Government’s ambition is that Wales is a place where research prospers as a vehicle for health and social care wellbeing. To achieve this

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1 NHS organisation for the purposes of this paper is defined as a Health Board or a NHS Trust. There are 7 Health Boards and 3 NHS Trusts in Wales.
ambition the Welsh Government is committed to funding a research infrastructure and capacity that will facilitate improvements to the health, wealth and well-being of the people of Wales.

An integrated and coordinated research Support and Delivery Service has been established to achieve maximum efficiency, effectiveness and international competitiveness of the research environment in Wales. The functions of the Service are delivered through the ten NHS organisation’s R&D Offices (which now includes the recent integration of a national research workforce) and the Health and Care Research Wales Support Centre. A Support and Delivery Service Strategic Framework 2017-2022 has been published and outlines 3 aims:

Strategic Aim 1: **Public**: We will increase opportunities for patients and the public to participate in, and benefit from safe ethical research, regardless of geographical locations.

Strategic Aim 2: **Research Community**: We will enable Industry and Chief Investigators to set-up studies in multiple sites across Wales in a single access, streamlined and efficient way.

Strategic Aim 3: **Staff**: We will attract and deploy appropriately skilled, qualified and experienced staff in a consistent way across Health and Care Research Wales, embedding shared values and behaviours.

Welsh Government provides funding to each of the 10 NHS organisations to facilitate their contribution to these strategic aims and to support NHS organisations to meet the national NHS R&D objectives, key indicators and targets as set out in this Delivery Framework.
2. Support and Delivery Funding

Support & Delivery Funding is allocated across NHS Wales to facilitate and undertake high quality research in NHS Wales. **Support & Delivery Funding** is expected to aid this objective by providing funding via **National Support and Delivery Funding** initiatives and also allocating **Local Support and Delivery Funding** to each NHS organisation.

**National Support and Delivery Funding**

Providing specific investment at a national level enables Welsh Government to take an all-Wales approach to achieving Health and Care Research Wales strategic priorities, through the provision of consistent national mechanisms to enhance the development and delivery of NHS research in Wales.

**National Support and Delivery Funding** is categorised for specific activities and the funding will be allocated to NHS organisations based on the outcomes of national competitions or costs relating to specific activities.

For 2017/18, this comprises of:

- **Clinical Research Time Award**: The Clinical Research Time Award provides protected time to NHS staff to develop projects or research careers.
- **Specialty Leads**: Specialty Leads are clinicians leading and supporting the national endeavour to increase research activity in the NHS in Wales.
- **Healthwise Wales Recruitment Incentive**: A flagship public facing initiative to raise public awareness of research and create a ‘HealthWise Wales cohort’.
- **Research Workforce legacy costs** - to comply with TUPE processes and to cover other non-staff costs remaining as part of the transition of
the national research workforce into NHS R&D. (This is a one-off cost for 2017/18).

Local Support and Delivery Funding

Local Support and Delivery Funding is funding that will be issued to NHS organisations via the activity based funding formula to utilise locally, to facilitate a high quality research environment and deliver research in an efficient and effective way.

Local Support and Delivery Funding is split into two funding streams; a Delivery stream and a Development Stream.

Funding that has been previously known as Research Support and Governance (RS&G) funding stream and the salaries of three Heads of Research Delivery (North, South East and South West) is now referred to as core funding and forms part of the Delivery Funding stream.

Local Support and Delivery funding is determined via a Activity Based Funding to provide a fair and transparent model for supporting the delivery of high quality studies and developing a thriving research culture in NHS Wales. This strategic investment model, whereby funding follows activity, is used as an estimate for the amount of funding the NHS organisation may need in the forthcoming financial year. NHS organisations are expected to make strategic decisions to maximise the use of the funding and create a research environment which promotes and encourages high quality Welsh led research within NHS Wales.

Local Support and Delivery Funding is a fixed amount allocated annually. However, NHS organisations also have the ability to draw on other sources of funding to invest in the growth of capacity and capability for NHS research within their organisation. This could include, for example, commercial R&D income from sponsors of commercial trials and non-commercial research
costs recovered from grant holders of non commercially funded studies as well as charitable funds donated by patients and the public to the NHS organisation.

A. Delivery Funding

Delivery Funding is provided to cover

- research governance and management activities.
- NHS Support Costs provided for Clinical Research Portfolio research studies (non-commercial) to enable researchers to access the resources required to facilitate delivery of these studies at a local level. For primary care, WAST and PHW, the centralised NHS Support Cost budget is available to fund NHS Support Costs activities. This may be in the form of payment for specific procedures, as well as time for clinical staff supporting activities involved in actively supporting recruitment to portfolio research studies.

Due to the focus on high quality studies, the first call on funding should be to support delivery of Clinical Research Portfolio studies. *Funding can be vired between the Delivery and the Development elements of the allocation to manage this within the NHS organisation.*

B. Development Funding

Development Funding is provided to NHS organisations to invest in health care staff who are committed to developing and undertaking high quality research studies. “*Pathway to portfolio activities*” are intended to be supported in this way and can include Chief Investigator time and/or costs involved with setting up and delivering early activities associated with a study’s pathway to portfolio (e.g. feasibility studies providing data to support a

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2 These involve activities that are undertaken to inform the development of a portfolio study or a grant application for a portfolio study. This can include feasibility and pilot activity along with work to develop a platform for future portfolio studies.
grant application to funders that meet the eligibility criteria for adoption onto the Clinical Research portfolio). In addition, Part B Research Cost activities in Health Boards (primary and secondary care) and other NHS organisations for eligible non commercial funders can also be covered through Development Funding.

In addition to Local Support and Delivery Funding, NHS organisations are eligible to apply for Centralised NHS Support Costs, and Excess Treatment Costs.

Centralised NHS Support Costs for Primary Care, WAST and PHW
The Health and Care Research Wales Support Centre administers a central application scheme for NHS Support Costs in primary care, NHS Support costs in Emergency Care (via the Welsh Ambulance Service NHS Trust) and NHS Support Costs accrued by Public Health Wales NHS Trust research.

Excess Treatment Costs
The Health and Care Research Wales Support Centre administers a central application scheme for Excess Treatment Costs (ETCs) for externally funded non-commercial R&D in NHS Wales). The budget meets the difference in costs between the standard treatment and the additional treatment costs resulting from R&D activity. The centralised process enables a streamlined approach to be taken with regards to ETC decision-making and monitoring.

Further information: Attributing the costs of health and social care Research & Development guidance (AcoRD) sets out what is a research cost, NHS support cost, treatment cost and excess treatment cost.

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3 The AcoRD guidance can be found at: [http://www.wales.nhs.uk/sites3/page.cfm?orgid=952&pid=62653](http://www.wales.nhs.uk/sites3/page.cfm?orgid=952&pid=62653)
Social Care
NHS organisations can use Local Support and Delivery Funding to support high quality social care studies however, this must be on a cost recovery basis only.

Supporting Guidance
A suite of guidance documents with further detail on the activity-based funding model and appropriate use of funding is available on the Health and Care Research Wales website: https://www.healthandcareresearch.gov.wales/nhs-ran/dd-funding-policy/

3. NATIONAL R&D OBJECTIVES, KEY INDICATORS AND TARGETS

a) Integrated Medium Term Plans

The NHS Wales Planning Framework 2016/17\(^4\) sets out that each NHS organisation is expected to produce an Integrated Medium Term Plan to cover the period 2016/17 – 2018/19.

There is a clear intention and expectation that the Integrated Medium Term Plan is the key overarching organisational document for each NHS organisation. Welsh Government expects each NHS organisation to set out their organisation’s plan for Research and Development in their Integrated Medium Term Plan. Research and Development is specifically identified as one of the ‘enablers’ which will provide a key resource to enable the organisation's Integrated Medium Term Plan to be delivered.\(^5\)

The NHS Wales Planning Framework 2017-20 sets out what the IMTP must deliver to be successful. The research-related criteria are to:

\(^4\) http://gov.wales/topics/health/nhswales/circulars/subjectname13/?lang=en

\(^5\) “It is expected the Integrated Medium Term Plans will demonstrate the importance of research within the NHS organisation and set out a structured approach to research, teaching and innovation”
• demonstrate how the Health Board or Trust will improve patient outcomes through participation in research and maximising impact from research results;

• demonstrate the active promotion of the value of research through clear communication strategies with a range of audiences, i.e. patients, clinicians and local organisations including HEIs;

• describe the arrangements in place to ensure research feeds into the organisation’s mechanisms for uptake of best practice, innovation and service change;

• demonstrate how the organisation will meet the key indicators and targets set out in this Delivery Framework

• demonstrate how the organisation will set expectations for appropriate inclusion of children and young people into research programmes and proposals.

R&D Division, Welsh Government in its review of IMTPs will particularly focus on identifying how NHS R&D Directors have aligned themselves and their R&D departments to other parts of the NHS to promote R&D and maximise the potential for the uptake of findings across their organisations, including, as appropriate, primary care.

**NHS Outcomes Framework (Public facing document) and NHS Delivery Framework (NHS facing document)** - (Overarching outcome measures)

*The NHS Outcomes Framework and NHS Delivery Framework* 2017/18

Effective Care domain states – “*People in Wales receive the right care and support as locally as possible and are enabled to contribute to making that care successful*”. The relevant performance outcome measures for this domain relating to R&D are:
• Increase in research activity for people of all ages
  ▪ Number of Health and Care Research Wales Clinical Research Portfolio studies and commercially sponsored studies
  ▪ Number of participants recruited into Health and Care Research Wales Clinical Research Portfolio studies and commercially sponsored studies

These outcome measures are reported on a quarterly basis. The performance reports produced by the Health and Care Research Wales Support Centre for performance monitoring will be used to meet this reporting requirement. Note that for Health Boards, ‘research activity’ referred to in the key indicators includes activity across both primary and secondary care, covering all services within the Health Board’s remit.

**National Objectives, Key Indicators and Targets**

Welsh Government has set national objectives for NHS organisations to guide the effective use of **Local Support and Delivery Funding** and to help inform the development of local R&D strategies. Welsh Government has also set key indicators to enable measurement of NHS organisations’ performance against the national objectives, as well as provided targets that these NHS organisations should aim to achieve.

The national NHS R&D objectives are set out below:

a) To increase the profile of research and development within NHS Wales
b) To ensure the effective provision of a NHS research infrastructure to develop research capacity and capability through the appropriate use of NHS R&D allocations
c) To increase the quantity of high quality research being undertaken in NHS Wales
d) To increase the opportunity for NHS patients to participate in, and benefit from, clinical trials and other well designed studies

e) To improve the efficiency of processes for research permissions, study set-up and delivery of research in NHS Wales

f) To create a research environment which promotes and encourages commercially funded research activity within the NHS

g) To increase the number of individuals recruited to HealthWise Wales (new for 2017/18)

The key indicators and targets set by Welsh Government to measure NHS organisations’ progress against the national objectives are set out in Annex 1.

Please note that following feedback from the NHS organisations some of the key indicators have now been grouped together to improve monitoring and managing reporting requirements. The numbering of the key indicators has however, remained the same as in previous financial years to enable a year-on-year comparison of performance to be undertaken. Please note the introduction of a new KI relating to HealthWise Wales.

5. ROLES AND RESPONSIBILITIES

R&D Directors within NHS organisations are accountable for the NHS R&D funding (including Local Support and Delivery Funding) within their NHS organisation. Welsh Government expects all NHS R&D Directors to decide strategically how to meet the national NHS R&D objectives and how to subsequently spend their Local Support and Delivery Funding within their NHS organisation.

R&D Directors are responsible for ensuring that their NHS organisation makes progress against the national NHS R&D objectives, key indicators and targets. They are also responsible for ensuring that Local Support and Delivery Funding is utilised in line with Welsh Government’s guidance (please see The Appropriate Use of Local Support & Delivery funding for more information), as well as demonstrating that their NHS organisations attribute costs correctly in line with AcoRD for Wales, (including recovery of costs as
appropriate, e.g. research costs from a University or full recovery of costs for commercial trials, the first call on which is to pay for the full costs incurred in running commercial trials).

Welsh Government will performance manage all aspects of Support and Delivery Funding and will specifically manage Local Support and Delivery Funding against national NHS R&D objectives, key indicators and targets; and financially administer the Local Support and Delivery Funding.

Viring funding

It is for each R&D Director to maximise the use of this funding alongside other funding streams, such as charitable and commercial funding, in order to support high quality research and meet the set targets. Welsh Government permits funding provided through the Local Support and Delivery to be vired between the Delivery and Development funding streams to meet local needs and delivery. Expenditure, however, will be performance monitored and performance managed against the two funding streams.

Under the direction of Welsh Government, Health and Care Research Wales Support Centre will:

- monitor NHS organisations’ progress against the national objectives, key indicators and targets by monitoring R&D activity;
- review whether NHS organisations are spending their Local Support and Delivery Funding (for Delivery and Development) in line with Welsh Government’s guidance, by monitoring R&D expenditure;
- review whether NHS organisations are demonstrating accurate cost attribution in line with AcoRD for Wales.
- manage the Health and Care Research Wales Clinical Research Portfolio (CRP) and provide research activity data in support of performance monitoring.
6. PERFORMANCE MANAGEMENT ARRANGEMENTS

Welsh Government will performance manage progress against national NHS R&D objectives and the use of Local Support and Delivery Funding, on an on-going basis, through the following process:

i) Commission the Health and Care Research Wales Support Centre to monitor progress against national NHS R&D objectives and the use of Local Support and Delivery Funding (Delivery and Development) by monitoring R&D expenditure and activity. The performance monitoring arrangements for R&D expenditure are outlined in the guidance on Monitoring the Use of Local Support & Delivery Funding (1.3) and the arrangements for monitoring progress against national NHS R&D objectives is outlined in the guidance on Monitoring NHS R&D Activity (1.5). The data provided by the Health and Care Research Wales Support Centre will be used to performance manage the Local Support and Delivery Funding.

ii) Welsh Government will assess progress against national NHS R&D objectives, key indicators and targets on a quarterly basis, particularly on the number of studies and number of participants recruited to studies on the Health and Care Research Wales CRP and commercial studies (to meet the reporting requirements for the NHS Outcomes Framework and NHS Delivery Framework).

iii) Welsh Government will formally meet with each NHS organisation on an annual basis to undertake a performance management meeting. Welsh Government will compare year on year how each NHS organisation is meeting the key indicators and targets. Red-Amber-Green (RAG) reports will be prepared for each NHS organisation to be used by Welsh Government as part of the annual performance management meetings.
iv) Welsh Government and the Health and Care Research Wales Support Centre will meet formally three times a year following the submission by NHS Organisations of their Spending Plan, Mid Year Financial Return and Annual Return to review these returns and discuss any issues arising.

7. OPERATIONAL GUIDANCE

A suite of operational guidance has been developed by the Health and Care Research Wales Support Centre to explain to NHS organisations how the performance monitoring will be undertaken. These guidance documents are titled:

1.1 Local Support & Delivery Funding 2017/18 Technical guidance - Activity Based Funding
1.2 The Appropriate Use of Local Support and Delivery Funding
1.3 Monitoring the Use of Local Support and Delivery Funding
1.4 Evidencing the National NHS R&D Objectives, Key Indicators and Targets
1.5 Monitoring NHS R&D Activity

All of these operational guidance documents are available on the Health and Social Care Wales website. 
(http://www.healthandcareresearch.gov.wales/nhs-randd-funding-policy/)
### Annex 1: Welsh Government NHS R&D Objectives, Key Indicators (KIs) and Targets for NHS Wales

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<thead>
<tr>
<th>Objective</th>
<th>Key Indicators (KIs)</th>
<th>Target/ Measurement</th>
<th>Implementation Date</th>
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<tbody>
<tr>
<td>A. To increase the profile of research and development within NHS Wales</td>
<td><strong>A1.</strong> NHS research data tabled at the NHS organisation’s Board meeting</td>
<td>Minimum of twice a year. Confirmation of data being tabled</td>
<td>2013/14</td>
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<td></td>
<td><strong>A2.</strong> R&amp;D representation at the NHS organisation’s Board meeting</td>
<td>Confirmation of Board member representing R&amp;D</td>
<td>2012/13</td>
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<td></td>
<td><strong>A3.</strong> Up-to-date R&amp;D strategy for NHS organisation</td>
<td>Confirmation that the R&amp;D strategy is up-to-date. Copy of current R&amp;D strategy provided, signed off by the organisation</td>
<td>2012/13</td>
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<td></td>
<td><strong>F1. A Commercial Research Strategy/ Policy in place</strong></td>
<td>Confirmation of current up-to-date commercial research strategy or policy in place, signed off by the organisation (this could be stand alone or part of the R&amp;D strategy, see A3)</td>
<td>2014/15</td>
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<td></td>
<td><strong>A4. Inclusion of research in the NHS organisation’s annual report</strong></td>
<td>Confirmation that R&amp;D is included. Copy of annual report provided, showing inclusion of research</td>
<td>2012/13</td>
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<td><strong>A5.</strong> Up-to-date Research Capability Statement for the NHS organisation</td>
<td>Updated annually. Copy of current Research Capability Statement provided</td>
<td>2017/18</td>
<td>To note - A paper will be developed with NHS R&amp;D in terms of how the individual capability statements will feed into an all Wales Capability Statement</td>
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<td><strong>A6.</strong> Appropriate inclusion of plans for research included within NHS organisation’s Integrated Medium Term Plan</td>
<td>Confirmation of R&amp;D included. Copy of section of Integrated Medium Term Plan provided, showing inclusion of plans for research</td>
<td>2015/16</td>
<td></td>
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<tr>
<td><strong>B.</strong> To ensure the effective provision of a NHS research infrastructure to develop research capacity and capability through the appropriate use of NHS R&amp;D allocations as well as investment of other R&amp;D income that the organisation generates (R&amp;D Division, Welsh Government will only performance manage against the allocation it provides)</td>
<td><strong>B1.</strong> Documented up-to-date R&amp;D finance procedure or policy for the NHS organisation</td>
<td>Confirmation of current, up-to-date policy. Copy of current finance policy provided, signed off by the organisation (this could be stand alone or part of other R&amp;D related policies e.g. the R&amp;D strategy, see A3)</td>
<td>2014/15</td>
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<td></td>
<td><strong>B5.</strong> Cost recovery model in place for commercial and non-commercial research</td>
<td>Confirmation of current agreed model in place for cost recovery, signed off by the organisation (this could</td>
<td>2014/15</td>
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<td></td>
<td>B6. Income distribution model in place for commercial and non-commercial research</td>
<td>be stand alone or part of other R&amp;D related policies, e.g. the documented R&amp;D finance policy, see B1)</td>
<td>2014/15</td>
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<td>B7. Use of costing templates for commercial and non-commercial research (where applicable)</td>
<td>Confirmation of current agreed income distribution model in place, signed off by the organisation (this could be stand alone or part of other R&amp;D related policies, e.g. the documented R&amp;D finance policy, see B1)</td>
<td>2014/15</td>
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<td></td>
<td>B2. Appropriate use of NHS R&amp;D allocations in accordance with the R&amp;D Division, Welsh Government guidance</td>
<td>Confirmation that these are in use by the organisation</td>
<td>2014/15</td>
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<td></td>
<td>B4. Implementation of AcoRD</td>
<td>All expenditure reported in annual returns are aligned to the guidance</td>
<td>2012/13</td>
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<td></td>
<td>B3. Timely and accurate reporting in</td>
<td>All expenditure reported in annual returns demonstrate accurate attribution, in line with AcoRD</td>
<td>2012/13</td>
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April 2017
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<tr>
<th><strong>C. To increase the quantity of high quality research being undertaken in NHS Wales</strong></th>
<th><strong>C1. Number of Health and Care Research Wales Clinical Research Portfolio (CRP) studies</strong></th>
<th>Increase of 10% per annum</th>
<th>2012/13</th>
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<tr>
<td><strong>C2. Number of commercially sponsored studies</strong></td>
<td><strong>Increase of 5% per annum</strong></td>
<td><strong>2012/13</strong></td>
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<td><strong>D. To increase the opportunity for NHS patients to participate in, and benefit from, clinical trials and other well designed studies</strong></td>
<td><strong>D1. Number of patients recruited into Health and Care Research Wales Clinical Research Portfolio (CRP) studies</strong></td>
<td>Increase of 10% per annum</td>
<td>2012/13</td>
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<tr>
<td><strong>D2. Number of patients recruited into commercially sponsored studies</strong></td>
<td>Increase of 5% per annum</td>
<td><strong>2013/14</strong></td>
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<tr>
<td><strong>E. To improve the efficiency of processes for research permissions, study set-up and delivery of research in NHS Wales</strong></td>
<td><strong>E1. Percentage of Health and Care Research Wales Clinical Research Portfolio (CRP) studies receiving NHS research permission within 40 calendar days</strong></td>
<td>80% of studies</td>
<td>2013/14</td>
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<tr>
<td><strong>E2. Percentage of commercially sponsored studies receiving NHS research permission within 40 calendar days</strong></td>
<td>80% of studies</td>
<td><strong>2013/14</strong></td>
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*Commercially Sponsored Studies are those studies that are industry funded and industry sponsored*
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<td><strong>E3.</strong> Percentage of Health and Care Research Wales Clinical Research Portfolio (CRP) studies recruiting the first patient within 30 calendar days of approval/site initiation</td>
<td>80% of studies</td>
<td>2014/15</td>
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<tr>
<td><strong>E4.</strong> Percentage of commercially sponsored studies recruiting the first patient within 30 calendar days of approval/site initiation</td>
<td>80% of studies</td>
<td>2014/15</td>
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<tr>
<td><strong>E5.</strong> Percentage of Health and Care Research Wales Clinical Research Portfolio (CRP) studies recruiting to time and target</td>
<td>80% of studies recruiting 100% of target</td>
<td>2015/16</td>
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<tr>
<td><strong>E6.</strong> Percentage of commercially sponsored studies recruiting to time and target</td>
<td>80% of studies recruiting 100% of target</td>
<td>2015/16</td>
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</tr>
<tr>
<td><strong>E7.</strong> Percentage of non-recruiting Health and Care Research Wales Clinical Research Portfolio (CRP) studies within NHS organisations</td>
<td>No more than 10%</td>
<td>2015/16</td>
<td></td>
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<tr>
<td><strong>E8.</strong> Percentage of non-recruiting commercially sponsored studies within NHS organisations</td>
<td>No more than 10%</td>
<td>2015/16</td>
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<td><em>F. (moved to be incorporated in A)</em></td>
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<td><strong>G1.</strong> An increase in the number of individuals recruited to HealthWise Wales in the NHS Health Board area</td>
<td>An increase against 2016/17 baseline recruitment numbers</td>
<td>2017/18</td>
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