

**Cyfarwyddwr Cyffredinol Iechyd a Gwasanaethau Cymdeithasol/
Prif Weithredwr GIG Cymru
Grŵp Iechyd a Gwasanaethau Cymdeithasol**

**Director General Health and Social Services/
NHS Wales Chief Executive
Health and Social Services Group**



**Llywodraeth Cymru
Welsh Government**

Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office

6 March 2018

Dear Huw,

Further to my letter of 22 January 2018, here is my full response, informed by wider consultation with NHS Wales.

I would like to repeat my appreciation for your report into informatics systems in NHS Wales and the work that the study team have undertaken on this over the past 18 months.

I am pleased to see that the report recognises that NHS Wales has a clear vision for the electronic patient record in Wales and, while I recognise that we do face some challenges, I am confident that we have made substantial progress, even in the time since your team carried out the review, and will continue to drive improvements in the future.

We acknowledge the key findings concerning the difficulties around securing adequate funding to take forward the vision; the need to strengthen prioritisation processes; and the need to review the governance arrangements for NWIS. The report endorses much of the work that we already have underway.

Recommendation 7 of the Final Report of the Parliamentary Review of Health and Social Care in Wales echoes many of the WAO findings, and as such the actions we take following your report will also be informed by our response to the Parliamentary Review. Our Long Term Plan for Health and Social Care, to be published in the spring of 2018, will set out the steps we will take - and the steps we expect NHS and social care partners to take – to make best use of informatics and digital ways of working more widely.

We welcome the findings of the report and offer the following response to the thirteen recommendations contained within it.

The NHS Wales Informatics Management Board (NIMB) oversees Information Management and Technology (IM&T) in NHS Wales and drives the strategic agenda for a data-driven system, which supports improved access to information and the introduction of new ways of delivering care with digital technologies. NIMB's terms of reference were revised last year. Its purpose was strengthened to hold responsibility for delivering 'Informed Health and Care: the digital health and social care strategy for Wales' (the Strategy). The Strategy sets out the vision to 'transform how the people of Wales, our citizens and staff, embrace modern information technology and digital tools to deliver safer, more efficient and joined-up health and social care services to improve outcomes and experiences of patients and service users'.

NIMB is a Portfolio Board accountable for the delivery of programmes (and projects) established to support the delivery of the Informed Health and Care Strategy (the programmes) and creates an environment where programmes can succeed in delivering the changes necessary for the benefits to be realised.

NIMB provides assurance and advice to Welsh Government, and reports directly in to the NHS Wales Executive Board on all aspects of IM&T.

Recommendation 1 The vision for informatics of incrementally creating an electronic patient record is clear and had a clear rationale when it was first set following the 2003 strategy. However, the informatics market and community have moved on significantly since then. The Welsh Government, working with NWIS and NHS bodies, should review the informatics market to test whether it offers new opportunities to achieve the aims of the Strategy.

Accept – Welsh Government will commission a review of our approach to infrastructure and system design as part of the NHS Wales Informatics Management Board (NIMB) forward workplan for the coming year. This will include developing an understanding of what is currently available on the market and best practice.

Recommendation 2 NHS Wales has set up a task and finish group to seek to clarify the meaning of the 'Once for Wales' approach to developing and rolling out informatics systems. The Welsh Government, working with NWIS and NHS bodies, should:

- a. clearly define the balance and respective responsibilities between national systems led by NWIS and locally led systems;
- b. ensure that national and local implementation plans are updated to reflect any implications for the funding, development and roll-out of informatics systems of the clarified approach to Once for Wales; and
- c. prioritise the development of a set of common standards to ensure that systems procured or developed locally are compatible with other local systems and the national systems.

Accept - NIMB has agreed a definition for 'Once for Wales' and for a list of services and functions best suited to the approach, to be mandated. The balance and respective responsibilities between local and national systems will be considered further as part of the review work described in our response to Recommendation 1, and will inform local and national plans.

A 'Welsh Technical Standards Board (WTSB)' will be established by May 2018 and will focus on technical Interoperability standards. The Board will work in conjunction with the Welsh Information Standards Board which has responsibility for data and Information standards. Together, these two Boards will oversee the delivery and maintenance of a catalogue of standards and requirements to enable integration and interoperability across all health and care systems.

Recommendation 3 We found that the NHS has not set clear priorities for informatics. The Welsh Government, NWIS and NHS bodies should agree a clear and achievable set of priorities for national informatics and resist adding new priorities without either deprioritising something else or adding new resources.

Accept – As I highlighted in my initial response and through the clearance of the report, we have already developed an improved prioritisation process to best use the available funding and support various systems. In its April meeting NIMB will consider a short term, prioritised National Plan for the next year. Welsh Government will commission NIMB to continue the prioritisation work, taking into account the Parliamentary Review's recommendation to "stop, start and accelerate". The National Plan will include a process, overseen by NIMB, to review in-year priorities, and NIMB will advise the NHS Executive Board and Welsh Government on prioritisation and investment decisions.

Recommendation 4 Many of the issues and concerns about barriers to progress that we found during our fieldwork have long been recognised. The Welsh Government, NHS bodies and NWIS should produce an open and honest assessment of what has worked and what has not so far and produce a clear and jointly owned plan for overcoming the known barriers to progress. These documents should be in the public domain so that NHS staff can see that their concerns have been recognised and are being addressed.

Accept – As part of our reviews into infrastructure and system design (Recommendation 1) and governance (Recommendation 6), Welsh Government will consider our approach to service and system development and delivery. This will include an assessment of progress to date and how barriers to progress can be overcome, and will be taken forward as part of NIMB's forward workplan for the coming year.

Recommendation 5 We found that there is considerable scope to strengthen national and local leadership on informatics across the NHS. The Welsh Government should:

- a. work with NHS bodies to develop options for strengthening representation of informatics at board level, including reviewing the merits of a board level Chief Clinical Information Officer (or equivalent) role;
- b. work with NHS bodies to develop a clear action plan for the development of a cadre of senior clinician-informatics staff, in line with the recommendations of the Wachter review in England; and
- c. identify opportunities to strengthen the informatics voice at the most senior level in the Department for Health and Social Services, including reviewing whether and if so, how to strengthen the roles of the NHS Wales Chief Information Officer and Chief Clinical Informatics Officer in NHS Wales' strategic decision-making process.

Accept - The structure and membership of NHS Boards, including having the right skills and experience at Board level, is being developed further in light of the responses received during the consultation on the 'Services Fit for the Future' White Paper. The role of Chief Clinical Information Officers is already being established in many NHS organisations. A Chief Clinical Information Officer development programme and network is being formally launched by the Chief Executive of NHS Wales in March 2018. Leadership roles and skills requirements across the whole Welsh health informatics system will be considered as part of the Governance Review described under recommendation 6.

Recommendation 6 We found that the governance arrangements for overseeing and challenging NWIS are weak. While the Welsh Government has written to Velindre NHS Trust requiring it to strengthen governance arrangements for NWIS, we consider that the Welsh Government should carry out a wider appraisal of options to strengthen governance and oversight of NWIS. The final arrangements should ensure that:

- a. there is independent scrutiny of performance and progress;
- b. there is greater transparency, with papers and minutes of discussions placed in the public domain; and
- c. there are clear lines of accountability between NWIS and the Chief Executive of NHS Wales and the Cabinet Secretary.

Accept - Welsh Government will establish a programme of work to consider the governance model required for delivering informatics that effectively supports Wales-wide digital transformation to enable safer, higher quality and effective patient care, informed by our response to the Parliamentary Review, and our development of the Health and Social Care Plan to be published in spring. This review will consider appropriate scrutiny and transparency, together with overall governance and accountability.

Recommendation 7 We found that the progress reports that NWIS produces for the Welsh Government and the public do not provide a complete or balanced picture. The Welsh Government should work with NWIS to improve the reporting of performance to tell a more balanced story of what is going well, where there are difficulties and why. Performance reporting should include information about progress against initial project plans, user satisfaction and concerns

Accept - Progress reporting to NIMB has recently improved, and Welsh Government has commissioned NWIS to deliver further improved reports during the spring 2018.

Recommendation 8 The Welsh Government needs to decide whether and how to provide the additional funding that NHS bodies and NWIS have estimated is required to deliver the vision for an electronic patient record. The Welsh Government should carry out a full cost-benefit analysis of the proposed investment, including the extent to which financial savings from new systems may enable funding to be redirected from existing services to invest in new informatics systems.

Accept - Welsh Government will undertake a robust assessment of the investment required and predicted business benefits, and together with NWIS and Finance Directors evaluate alternative funding models and savings opportunities. This will be informed by the outcome of the review of our approach to infrastructure and system design described in our response

to Recommendation 1, and the ongoing work on prioritisation being led by NIMB (Recommendation 3).

Recommendation 9 Despite some recent progress, there remains scope for better integration of medium term financial planning of informatics across the NHS. The Welsh Government, working with NHS bodies and NWIS, should set out clear and agreed medium term funding plans for local and national ICT programmes. This should involve NHS bodies and NWIS working together before NHS bodies complete the first draft of their rolling three-year plans. It should also take account of any future decision on funding required to deliver the strategy.

Accept - Integrated Medium Term Plans (IMTPs) are now well established, and for the first time, we have Strategic Outline Programmes (SOPs) from each NHS organisation, outlining their priorities and investment for Informatics. This is in line with guidance issued by Welsh Government on describing digital developments within both IMTPs and SOPs. NWIS engages with other NHS organisations as part of the IMTP planning process, and also through regular account management meetings. The collaborative development of the National Plan is also contributing to more focused planning.

Recommendation 10 NWIS is increasingly using the Agile approach to software development. There are potential benefits to this approach in terms of timeliness and quality, but the approach relies on deep engagement with clinicians and other end users, which has often been difficult to secure. NWIS and NHS bodies should work together to:

- a. strengthen the relationship between developers and clinicians, particularly in designing and testing new systems and functions, so that there is a better collective understanding of what is wanted and what is possible; and
- b. engage with managers to identify their information needs as well as the needs of clinicians.

Accept – User engagement through the whole lifecycle of system development is a key principle of good digital design. The creation of clinical informaticians (see response to Recommendation 5) within NHS organisations, provides a link between clinicians and developers, and will develop the skills required to support agile working and better stakeholder and user engagement. Stakeholder engagement will also be considered as part of our reviews into infrastructure and system design (Recommendation 1) and governance (Recommendation 6), and through our ongoing work on the Strategy delivery programme.

Recommendation 11 NWIS is developing but does not yet have a full workforce plan, and reports that it struggles to recruit and retain senior developer staff due to competition from the private sector. The Welsh Government, NWIS and NHS bodies should work together to explore options to secure the experienced ICT staff and developers that NWIS needs within the context of a comprehensive workforce plan for NWIS and taking account of the ICT staff available to NHS bodies.

Accept - This issue is wider than just within NWIS. The inability to recruit and retain ICT staff is an issue across the wider public sector. The creation of Health Education and Improvement Wales (HEIW) in April 2018, together with the recently-established Welsh Institute of Digital Innovation (in collaboration with University of Wales Trinity St David) will

help to secure and retain the level of skills required, as will improved links with other public sector partners, for example Office for National Statistics, and identifying private sector opportunities.

Recommendation 12 We found that there is a lack of clarity as to responsibility for delivering the intended benefits of national informatics systems and a lack of monitoring.

The Welsh Government, NHS bodies and NWIS should work together to ensure that:

- a. there is a clear allocation of responsibility for achieving the benefits; and
- b. there are clear responsibilities and processes in place for monitoring and reporting progress in delivering those benefits.

Accept - NIMB, through the Planned Future workstream of the Strategy Delivery Programme, has developed a common framework for describing and quantifying benefits. Further work is underway to review the existing NWIS benefits identification toolkit and register and to identify potential improvements to benefits ownership, quantification and realisation. Work is also already underway on improving the Business Case process, which will deliver better benefit and benefit ownership identification and realisation in line with this framework.

Recommendation 13 We found that many staff in the NHS are frustrated with some of the functionality and quality of national informatics systems. NWIS has a process for updating national systems, but there are concerns about the slow pace and lack of feedback and the Change Advisory Boards themselves could function more effectively. NWIS should review its process for managing change requests and where necessary make changes to:

- a. provide clearer feedback to the service about how their requests have been dealt with and whether and when any changes can be expected;
- b. remain open to minor changes that could have a significant impact in improving end users' use and perception of the systems; and
- c. provide clearer agendas and work programmes for the Change Advisory Boards to make them more focussed on enabling impactful improvements to systems.

Accept – Welsh Government has written to NWIS to ask them to work in partnership with their stakeholders to review their process for managing change requests. Progress on this will be monitored by Welsh Government through monthly meetings with the NWIS Director. Our reviews into infrastructure and system design (Recommendation 1) and governance (Recommendation 6) will help to address this recommendation.

Yours sincerely



Dr Andrew Goodall

cc: Nick Ramsay AM, Chair, Public Accounts Committee
Frances Duffy, Director of Primary Care and Innovation, HSS Group
David Richards, Director of Governance and Performance