



INTERFACE AGREEMENT BETWEEN THE CHIEF EXECUTIVE AND ACCOUNTABLE OFFICER OF VELINDRE NHS TRUST AND THE DIRECTOR OF SHARED SERVICES AND ACCOUNTABLE OFFICER FOR SHARED SERVICES

This memorandum of understanding sets out the agreed position between the Chief Executive and Accountable Officer of Velindre NHS Trust ("Velindre") and the Director of Shared Services and Accountable Officer for the Shared Services functions of Velindre ("Shared Services"). Since it affects the way in which the two officers carry out their responsibilities as an Accountable Officer, it has been approved by the Director General Department for Health, Social Services and Children (Chief Executive, NHS Wales) as the Accounting Officer for NHS Wales.

The Chief Executive of Velindre is the Accountable Officer for Velindre, and as such is not primarily accountable for the activity of the Shared Services. Those activities are the responsibility of the Director of Shared Services. As such, the Director of Shared Services should not interfere in the activities of Velindre outside his remit, and conversely the Chief Executive of Velindre should not intervene in the activity of the Shared Services. Both Accountable Officers will co-operate together to ensure the success of the hosting arrangement in the interest both of the NHS in Wales generally and the local interests of Velindre as host.

Accountable Officers are required to discharge the required internal control and accountabilities for the stewardship of resources and the operation of governance within their respective areas of responsibility. Both the Director of Shared Services and the Chief Executive of Velindre are required to observe the same general requirements laid upon them as Accountable Officers and are required to ensure that staff falling within their respective areas of responsibility also abide by them.

It is recognised that as the host, Velindre has a legitimate interest in the activities of the Shared Services and has certain statutory responsibilities as the legal entity hosting the Shared Services.

As the NHS officer responsible and accountable for funds entrusted to Shared Services, the Director of Shared Services is responsible for internal control and accountabilities within Shared Services and relates them to his overall accountability for funds drawn down by the Welsh Ministers for the National

Health Service in Wales as passed through to the Trust by the Welsh Government.

Within the context of the hosting arrangements between Shared Services and Velindre NHS Trust, the Director's role is to see that Shared Services carries out its functions in a way which ensures the proper stewardship of public money and assets. This is set out in the accountability agreement between the Director and the Director General of NHS Wales

However it is also recognised that because of the relationship between Shared Services and Velindre Trust, and in particular between the two Accountable Officers, the Accountable Officer of Velindre has a legitimate interest in being properly informed as to activities of the Shared Services Partnership and being assured that the Shared Services Partnership is being managed effectively and in accordance with NHS standards.

Therefore the Director for the Shared Services must:-

- a. ensure that the Shared Services will act at all times within the corporate governance framework of the Trust;
- b. ensure that proper financial procedures are followed and that accounting records are maintained and are prepared in an appropriate form and in time to be incorporated in the statutory accounts for Velindre NHS Trust;
- c. ensure that any information reasonably required by the Chief Executive of the Trust is provided;
- d. ensure that assets for which he is responsible such as land, buildings or other property, including stores and equipment, are controlled and safeguarded with similar care and with checks as appropriate.
- e. ensure that all items of expenditure, including payments to staff, fall within the legal powers of the Trust and the Shared Service Partnership Committee;
- f. act within the scheme of delegations and ensure compliance with guidance on classes of payment;
- g. ensure that in delegating functions to officers, he will be satisfied of their ongoing capacity and capability to deliver on those functions, facilitating access to the information needed, ongoing training and development, as well as professional or specialist advice where appropriate;

- h. ensure prudent and economical administration, for the avoidance of waste and extravagance and for the efficient and effective use of all resources;
- i. ensure that, in the consideration of policy proposals relating to the expenditure or income for which he is responsible, all relevant financial considerations (including any issues of propriety, regularity or value for money) will be taken into account;
- j. ensure that risks to the achievement of the Shared Services objectives and fulfilment of its responsibilities are identified, that the significance is assessed, and that a sound system of internal control is in place to manage them;
- k. implement an appropriate framework of assurance covering all aspects of Shared Services business, ensuring that research and evaluation work is planned so that strategic objectives and spending programmes for which he has responsibility, all relevant financial considerations, including any issues of propriety, regularity or value for money, will be taken into account, and where necessary brought to the attention the Chair of Shared Services and the Chief Executive of the Trust;
- l. ensure that, in the consideration of policy proposals relating to the expenditure or income for which he is responsible, all relevant financial considerations, including any issues of propriety, regularity or value for money, will be taken into account, and where necessary brought to the attention the Chair of Shared Services and the Chief Executive of the Trust;
- m. attend either in person or through an appropriate nominee, any Trust Board or Sub-Committee meeting in relation to Shared Services performance or governance issues that may affect the operational, financial or reputational value of Velindre NHS Trust;
- n. draw the attention of Welsh Government to losses or special payments by ensuring all cases are properly registered and maintained on the Trusts LaSPaR computer system and by appropriate notation in the statutory accounts;
- o. obtain all necessary sanction from Welsh Government for any expenditure which exceeds the limit delegated to the Shared Services within the Trust, and will be exercised responsibly and with due regard to propriety, regularity and value for money within Trust Standing Orders, Standing Financial Instructions, policies and procedures;

- p. ensure that all items of expenditure, including payments to staff, have fallen within the legal powers of the Trust, and will be exercised responsibly and with due regard to propriety, regularity and value for money within Trust Standing Orders, Standing Financial Instructions, policies and procedures;
- r. be responsible for the overall organisation, management and staffing of Shared Services and its arrangements related to the development and delivery of services as well as matters of finance, together with any other aspects relevant to the conduct of Shared Services in pursuance of the strategic direction set by the Shared Services Partnership Committee.
- s. comply with guidance issued by Welsh Government, and Trust Standing Orders, on classes of payments which you should authorise personally, such as termination payments to general and senior managers;
- t. ensure that Shared Services comply with the Trust's obligations in relation to cooperation with external agencies such as the Wales Audit Office, Health Inspectorate Wales, Health and Safety Executive etc and ensure appropriate action is taken regarding recommendations made in any reports produced by such organisations that relate to Shared Services;
- u. ensure that exception reporting to the Accounting Officer for NHS Wales relating to Shared Services is copied to the Chief Executive of Velindre;
- v. ensure that a senior official of Shared Services is nominated to act on behalf of the Director of Shared Services in his absence, and this is communicated to the Chair of the Shared Services Partnership Committee and the Chief Executive of Velindre;
- w. ensure that any anticipated deficit in the budget for Shared Services is promptly reported to the Chief Executive of Velindre and the Shared Services Partnership Committee to ensure appropriate action is taken and
- x. ensure that any reasonable request for information or assurance from the Chief Executive of Velindre is answered promptly and fully.

The Chief Executive of Velindre must ensure that Shared Services is allowed autonomy in line with the Memorandum of Co-operation between the NHS bodies in Wales and that the day to day involvement of Velindre NHS Trust is in accordance with the Hosting Agreement between Velindre and the Shared Services.

The Chief Executive of Velindre NHS Trust will be responsible as the host employer, together with the Chair of the NHS Wales Shared Services Partnership Committee, to contribute towards the annual performance appraisal and objective setting of the Director of Shared Services.

Both officers must co-operate with each other in responding to any queries or inquiries from the Accounting Officer of NHS Wales, any relevant Ombudsman, and the Welsh Government.

Signed


Director
NHS Wales Shared Services Partnership

Date


Chief Executive
Velindre NHS Trust

Date