

Welsh Community Care Information System

Report of the Auditor General for Wales

October 2020



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Key messages

- 1 The Welsh Community Care Information System (WCCIS) is intended to enable health and social care staff to deliver more efficient and effective services using a single system and a shared electronic record. WCCIS is being developed for use across a wide range of adult and children's services, moving from a position of multiple systems at different stages of development or paper records. The Welsh Government has always intended that all 22 local authorities and seven health boards should implement WCCIS through a contract signed in March 2015.
- 2 The programme of work to implement and roll out WCCIS and realise its benefits is complex and ambitious. It requires various organisations to collaborate at a national, regional and local level, working within different accountability frameworks. Together they need to agree priorities and manage risks and inter-dependencies as part of wider policy development across the health and social care system. We have examined the latest position. **Appendix 1** describes our audit approach and methods.

Implementation and roll-out of WCCIS are taking much longer and proving more costly than expected. Despite efforts to accelerate the process, the prospects for full take-up and benefits realisation remain uncertain. Some important issues around the functionality of the system, data standards and benefits reporting are still to be fully resolved.

- 3 The Welsh Government recognises that an IT system alone will not deliver the changes to health and social care it wants to see. However, WCCIS is the key digital enabler. Through the WCCIS contract, local authorities and health boards can agree 'deployment orders' with the supplier without needing their own procurement process. The contracting framework has needed to evolve since 2015 to encourage delivery by the supplier and take-up by organisations.

- 4 There was an initial estimation that all local authorities and health boards could be using the system by the end of 2018, although the timescales were not binding. It was anticipated that the detailed plans would be completed in negotiation with the supplier and participating organisations.
- 5 As at 31 August 2020, 19 organisations were using WCCIS or had signed deployment orders, with four in active negotiation and six yet to commit. Of the 19 organisations, 13 local authorities and two health boards had gone live. However, 'live' can mean different things. Differences in how organisations are choosing to deploy WCCIS currently limit opportunities for integrated working and raise other value for money issues.
- 6 Key aspects of the expected functionality have been significantly delayed. This includes certain enhancements to the original contractual requirements. The current estimate is that the remaining updates will be delivered on a phased basis through to the end of 2021. Areas where work is still needed include Welsh-language requirements, mobile functionality and interfaces with other NHS Wales systems. The National Programme Team has also needed to address concerns about system performance.
- 7 Implementing and rolling out the system is proving more costly than expected and with additional investment needed to support related service transformation. To date, just over £30 million has been spent or committed to March 2022 by the Welsh Government and NHS Wales Informatics Service (NWIS). Further capital costs are possible, although these may fall to deploying organisations.
- 8 We have been unable to arrive at a reliable overall estimate of local implementation costs met from organisations' own budgets, although it is apparent that these run into several millions of pounds. Once organisations have gone live, they also pay ongoing service charges, although in most cases WCCIS has replaced predecessor systems and their associated costs. The National Programme Team has emphasised that accountability for detailed local costs, risk and benefits rests with the local organisations.
- 9 Through the national programme management arrangements, action has been taken at various points to review and try to accelerate delivery. However, some key issues have taken a long time to resolve or have still not been fully resolved. Recent changes to programme governance structures are intended to support a more co-ordinated national approach, including acceleration of national data standards which are key to realising some of the benefits of WCCIS. The work on data standards is at different stages across different service areas. We understand that the use of WCCIS to support the COVID-19 response has highlighted the importance of this work and showed that this is possible given enough focus.

- 10 Responsibility for implementing WCCIS is widespread and includes organisations that are not party to the contract. The Welsh Government can require health boards to use the system. It has not yet chosen to do so and is currently relying on accelerating take-up through additional funding. The Welsh Government has provided some financial support to local authorities but does not have similar powers to require them to use the system.
- 11 The arrangements for reporting the benefits from WCCIS roll-out have been the subject of discussion and review from the outset. Work is still ongoing to develop a suitable reporting framework.



The potential benefits of a shared electronic record across health and social care are clear to see; even more so given some of the challenges presented by the COVID-19 pandemic. However, the Welsh Government's ambitious vision for WCCIS is still a long way from being realised. It now needs to work with the various organisations involved to take stock of expectations for the remainder of the contract term and the resources and wider commitment needed to support progress.



Adrian Crompton
Auditor General for Wales

Key facts

Roll-out to 31 August 2020

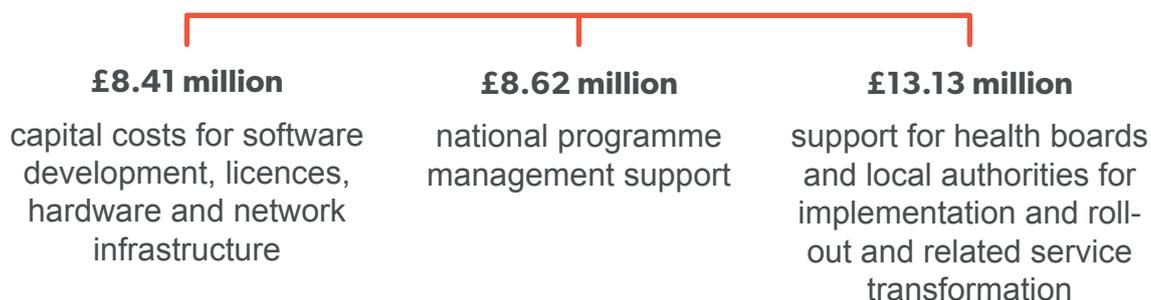


	Health boards	Local authorities
Live	2	13
Deployment order signed – not yet live	2	2
No deployment order signed	3	7

[Click here to access our interactive data tool](#) which provides further detail on the roll-out position across all 29 organisations.

Central support costs to March 2022: actual/committed

£30.16 million



[Excludes local implementation costs and service charges met from organisations’ own budgets and wider opportunity costs associated with the overall governance arrangements for WCCIS implementation and roll-out.]

Potential service area coverage (with examples)



Social care services for adults, children and families

- Safeguarding and adult protection
- Fostering and adoption



Social care financial services

- Direct payments
- Financial assessments
- Foster care payments



Child and Adolescent Mental Health Services (CAMHS)

- Early intervention and prevention
- Learning disability service



Child community services

- School nursing
- Flying Start and Families First health visiting



Adult and older mental health

- Psychology
- Prescribed medication support
- Acquired brain injuries



Community (other)

- District nursing
- Physiotherapy
- Adult weight management

Recommendations

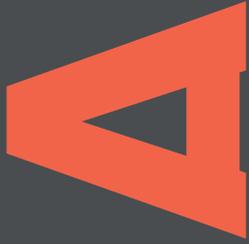
While there are important issues still to be resolved – including on outstanding functionality, data standards and benefits reporting – we are not making specific recommendations in these areas. They are all the subject of ongoing work through the national programme management arrangements. However, the recommendations that we have made are relevant from an overall programme delivery perspective. Also, some of the broader recommendations in our January 2018 report on informatics systems in NHS Wales remain relevant to WCCIS implementation.

Recommendations

- R1 We recommend that, before committing any further central funding, the Welsh Government works with the WCCIS National Programme Team, health boards, local authorities and the supplier to:
- produce an updated business case that takes account of local, regional and national costs and sets out expectations for further roll-out of the system, its use over the remainder of the contract term, the development of national data standards and planning for any successor arrangements;
 - ensure the organisations involved have the necessary capacity to support implementation and are giving enough priority to the programme against a clearly agreed plan; and
 - pull together a clear national picture on feedback from front-line users about the performance and general functionality of the system.

Recommendations

- R2 We recommend that the Welsh Government works with the National Programme Team to consider:
- how the WCCIS contract might have been strengthened to support and incentivise delivery and manage risk; and
 - how relevant lessons can be applied to any successor contracting arrangements and wider public procurement.



Strategy and contracting

01

Contracting for the use of WCCIS across Wales is a key part of the Welsh Government's plans for integrated health and social care

WCCIS is the key digital enabler to support the Welsh Government's plans for integrated health and social care

- 1.1 For the Welsh Government, a common electronic health and social care record is key to its ambition of integrated and person-centred health and social care services. In **A Healthier Wales**¹, the Welsh Government committed to accelerate roll-out across local authorities and health boards.
- 1.2 Recently, the Welsh Government has sought to clarify what the 'Once for Wales' approach for digital systems that it set out in 2015² means in practice. It has confirmed that this approach allows for some all-Wales 'national systems' and for different 'interoperable' systems using the same standards. Reinforced by the experience of responding to the COVID-19 pandemic, the Welsh Government still considers that a national approach to information sharing between health and social care is an appropriate model to enable the co-ordination of care within the community.
- 1.3 The Welsh Government recognises that an IT system alone will not deliver the changes to health and social care it wants to see. Among other things, the Transformation Fund³ and the Integrated Care Fund⁴ are aimed at supporting integrated working across health and social care.

1 Welsh Government, **A Healthier Wales: our Plan for Health and Social Care**, June 2018.

2 Welsh Government, **Informed Health and Care – A Digital Health and Social Care Strategy for Wales**, December 2015.

3 Running between 2018-2021, the Transformation Fund is targeted to priority projects and new models of health and social care, with the aim of speeding up their development and demonstrating their value.

4 See Auditor General for Wales, **Integrated Care Fund**, July 2019 for further information.

Under a 'Master Services Agreement', local authorities and health boards can agree 'deployment orders' with the supplier – CareWorks – without needing their own procurement process

- 1.4 The WCCIS contract was awarded to the supplier, CareWorks, in December 2014 and signed in March 2015. CareWorks were predominantly experienced in providing social care software solutions. The company had previously provided social care systems for a consortium of eight local authorities in Wales.
- 1.5 Bridgend County Borough Council led the procurement because, at that time, it needed to replace its social care information system and had previously acted as lead authority in a consortium of eight local authorities. A 'Joint Procurement Board' with wider local government and NHS Wales representation supported the procurement process.
- 1.6 CareWorks intended initially to use two sub-contractors. One of the sub-contractors would help develop the required health board functionality. Between contract award and contract signing, CareWorks' offer changed and no longer involved that sub-contractor – Advanced⁵. We have been unable to confirm whether those responsible for the contracting process considered the impact of this change on CareWorks' ability to deliver the required health functionality, some of which remains outstanding. Advanced told us that it withdrew as it felt that the system requirements could not be delivered within the timeframe and cost envelope proposed at the time. In late 2019, Advanced acquired CareWorks resulting in changes to CareWorks' management arrangements for WCCIS.
- 1.7 The contractual model operates as a 'call off contract', including a 'Master Services Agreement' (MSA) and separate 'deployment orders' (**Box 1**). Including opportunities for extension, the contract runs to March 2027. The National Programme Team believes that there are grounds to extend individual deployment orders beyond 12 years, so that early adopters can continue to use WCCIS until 2030. This would help to align end dates and facilitate future collaborative procurement.
- 1.8 CareWorks offered an overall financial discount amounting to 11.5% of the pricing in its original bid if the costs for licences and ICT infrastructure were paid up-front rather than as organisations implemented the system. This option was preferred, with the Welsh Government funding the up-front costs.

5 The other subcontractor remained involved to provide data storage and infrastructure support.

- 1.9 Nevertheless, the contractual framework exposes the Welsh Government to some value-for-money risks. The return the Welsh Government gets on its investment in software development, hardware and licences depends on the pace of roll-out and the use organisations make of the available functionality. Bridgend County Borough Council was the only organisation required to sign a deployment order. The call-off nature of the contractual framework also exposed CareWorks to certain financial risks.

Box 1: The contractual framework for WCCIS (as agreed originally)

Master Services Agreement (MSA)

- Bridgend County Borough Council entered into the MSA with CareWorks
- The MSA sets out the overarching terms and conditions under which local organisations implement WCCIS
- For example, it sets out the ‘Statement of Requirements’ (SoR), CareWorks’ technical solution to the SoR, governance arrangements, dispute resolution mechanisms, change control processes, service levels and service charges

Deployment orders

1 x for the central hardware, all-Wales licences and ‘sunk development costs’⁶ incurred by CareWorks, with these costs being met by the Welsh Government

[Up to] 29 x agreed between CareWorks and individual local authorities and health boards⁷ – including common elements but able to be tailored to meet local requirements

Original contract timescales

- Minimum of eight years, from March 2015, for the MSA
- Option to extend the MSA for four years, until March 2027 (on a 1+1+1+1 basis)
- Local deployment orders may run beyond March 2027 but must end by March 2030
- Local deployment orders worked on an 8+1+1+1+1 year basis initially, but have since been amended

⁶ Before entering into the contract, at its own risk CareWorks enhanced its existing CareDirector product to meet some of the requirements, at a cost of £2.2 million.

⁷ While the focus has been local authority and health board settings, the contractual framework allows for Velindre NHS Trust and the Welsh Ambulance Services NHS Trust to agree deployment orders. The National Programme Team has engaged with both organisations to help them understand the potential benefits of implementing WCCIS.

The contracting framework has needed to evolve to encourage delivery by CareWorks, take-up by organisations and to correct some organisations' service charges

- 1.10 Under the contract the full functionality was expected to have been delivered before the end of 2015. The contract did not provide for any 'liquidated damages'⁸ should CareWorks not deliver the full functionality on time, or additional payments should it meet contractual deadlines. However, the fixed-term nature of the contract provides some incentive for CareWorks, given that its revenue is based on take-up. There are also provisions in individual deployment orders for 'delay payments' in certain circumstances.
- 1.11 The financial model in the MSA set out the service charges each organisation was expected to pay CareWorks over the initial eight-year term of their deployment order. The total service charges amounted to just over £29 million across the 22 local authorities and seven health boards. However, the actual costs would increase over time to reflect inflation. If organisations choose to extend their deployment orders, the financial model provides for a reduced rate⁹.
- 1.12 The service charges took account of the comparative size of each organisation and the cost to CareWorks of providing support for local implementation. The charges were fixed, regardless of how widely organisations might choose to deploy the system across their services or how much of the expected functionality was available when they signed deployment orders.
- 1.13 The service charges also included contributions towards £0.50 million for outstanding software development to deliver the statement of requirements functionality. These costs were additional to the development costs already paid by the Welsh Government. However, the Welsh Government has now agreed to fund these software development costs apart from £0.02 million already paid by deploying organisations up to September 2019. The service charges have been adjusted accordingly. The Welsh Government is also funding some additional development for enhanced functionality beyond the statement of requirements.

8 A liquidated damages clause is a common way of dealing with a possible breach under a commercial contract. The sum that must be paid must be fixed in advance (a reasonable estimation of the particular loss) and written into the contract.

9 One-year extension = 10% discount; two-year extension = 15%; three-year extension = 25%; four-year extension = 35%.

- 1.14 In November 2019, the National Programme Team and Careworks agreed a contract variation to support CareWorks to maintain development capability and accelerate the remaining software development. These changes mean that CareWorks will now receive some payments earlier than anticipated when it delivers outstanding functionality to an agreed set of payment milestones.
- 1.15 Other contractual changes have affected the way the deployment orders and service charges are working in practice across different organisations. Initially, the contract term was effective from the date a deployment order was signed. This was the case solely for Bridgend County Borough Council, who were the first deploying organisation. However, there was a concern this would discourage other organisations from signing orders because they were keen to avoid the contract running down before the system was ready. Meanwhile CareWorks was having to carry out preparatory work with no firm commitment from organisations.
- 1.16 Following a renegotiation during the first year of the MSA, the contract only becomes effective when the contracting organisation is satisfied the system has been operating in a stable manner for 30 days – ‘stable operations’. The assumption was that it would take around six months after signing deployment orders to reach stable operations¹⁰. Therefore, the overall contract length was reduced from eight years to 7.5 years. Organisations were still liable for the full eight years’ worth of service charges identified in the MSA but paid over a 7.5 year period instead.
- 1.17 An error in the financial model in the MSA, discovered after the contract term had been changed to 7.5 years, meant the service charges for seven organisations¹¹ did not cover the full term, falling short by up to three months’ worth of payments. CareWorks offered the choice of continuing with a shorter contract term or making up the difference over the full contract term. Each of the seven organisations opted for a shorter initial contract term. The National Programme Team has explained that this option was deemed more cost effective should a contract extension be sought after the initial contract term given the discounted rates for the extensions (**paragraph 1.11**).

10 In practice, implementation work to reach stable operations has generally taken longer than six months.

11 Isle of Anglesey County Council, Vale of Glamorgan Council, Powys County Council, Powys Teaching Health Board, Merthyr Tydfil County Borough Council, Gwynedd Council, Ceredigion County Council.

- 1.18 All local authorities that have deployed the system to date are liable for service charges at the rates set out originally in the MSA. However, in June 2017 the WCCIS Leadership Board agreed a revised financial model for the five health boards that had not already signed deployment orders¹². The revised model was based on a phased implementation¹³ rather than a 'big-bang' approach. CareWorks had also agreed to an overall reduction in service charges under this model due to changes in planned implementation timescales and not all the expected functionality for health boards being available.
- 1.19 Organisations signing deployment orders can commission additional functionality beyond that provided for in the original contract. For example, Newport City Council commissioned an interface to its corporate finance system. The Council met the development costs, but the same functionality is now available to other organisations. Any other organisation taking up this functionality would not have to pay development costs but would pay additional service charges.

12 Powys Teaching Health Board and Betsi Cadwaladr University Health Board had already signed deployment orders by this point.

13 Once stable operations have been reached for the first phase of implementation, any subsequent phases must be completed within 24 months. The health board would be liable for service charges if any longer delay was due to local decisions.

Roll-out and costs

02

Implementing and rolling out WCCIS is taking much longer and proving more costly than expected, with the prospects for full take-up still uncertain

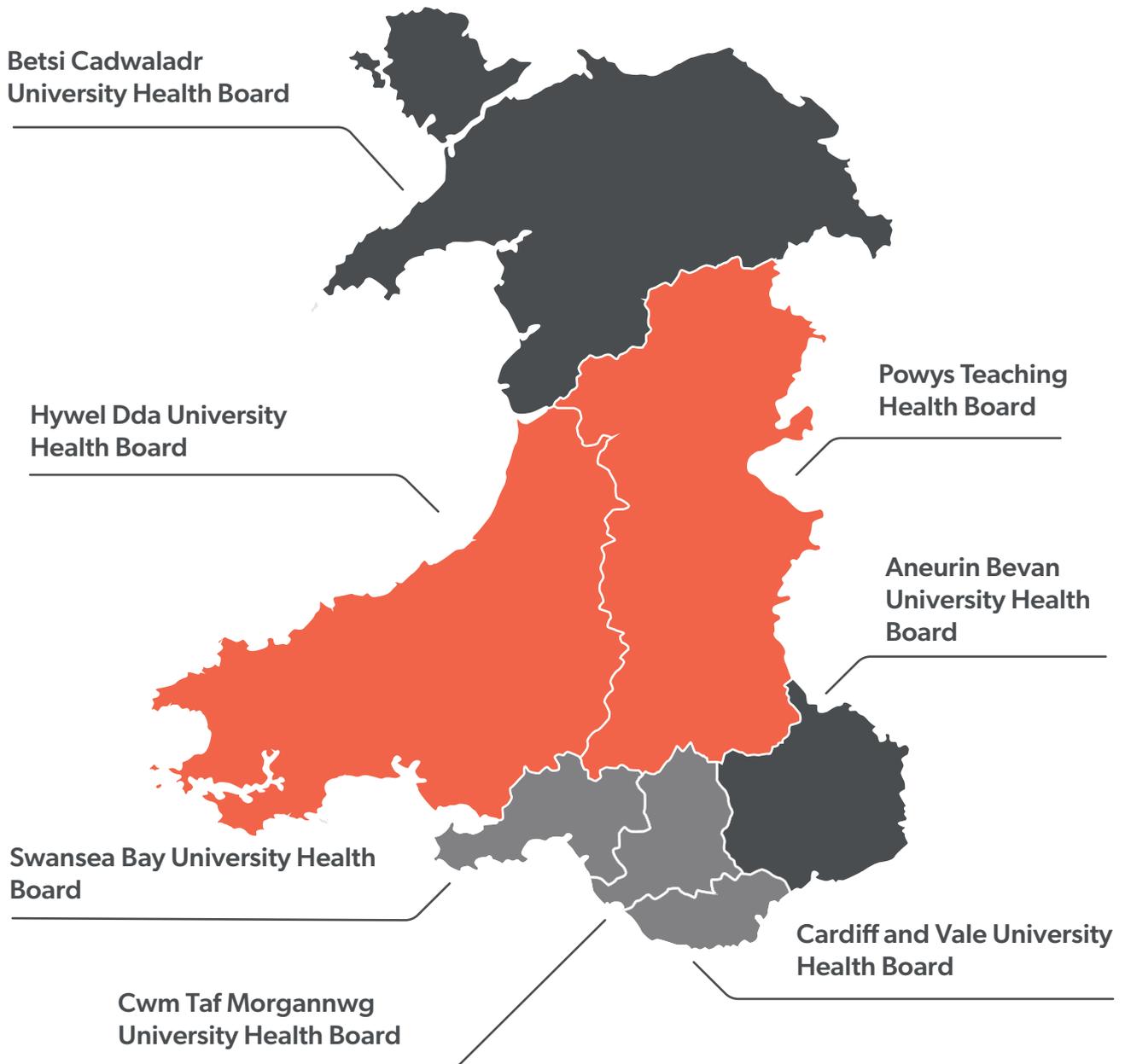
Roll-out has been much slower than initially expected, with some organisations still to commit and different choices being made about how much use to make of the system

As at 31 August 2020, 19 organisations were using WCCIS or had signed deployment orders, with four in active negotiation and six yet to commit

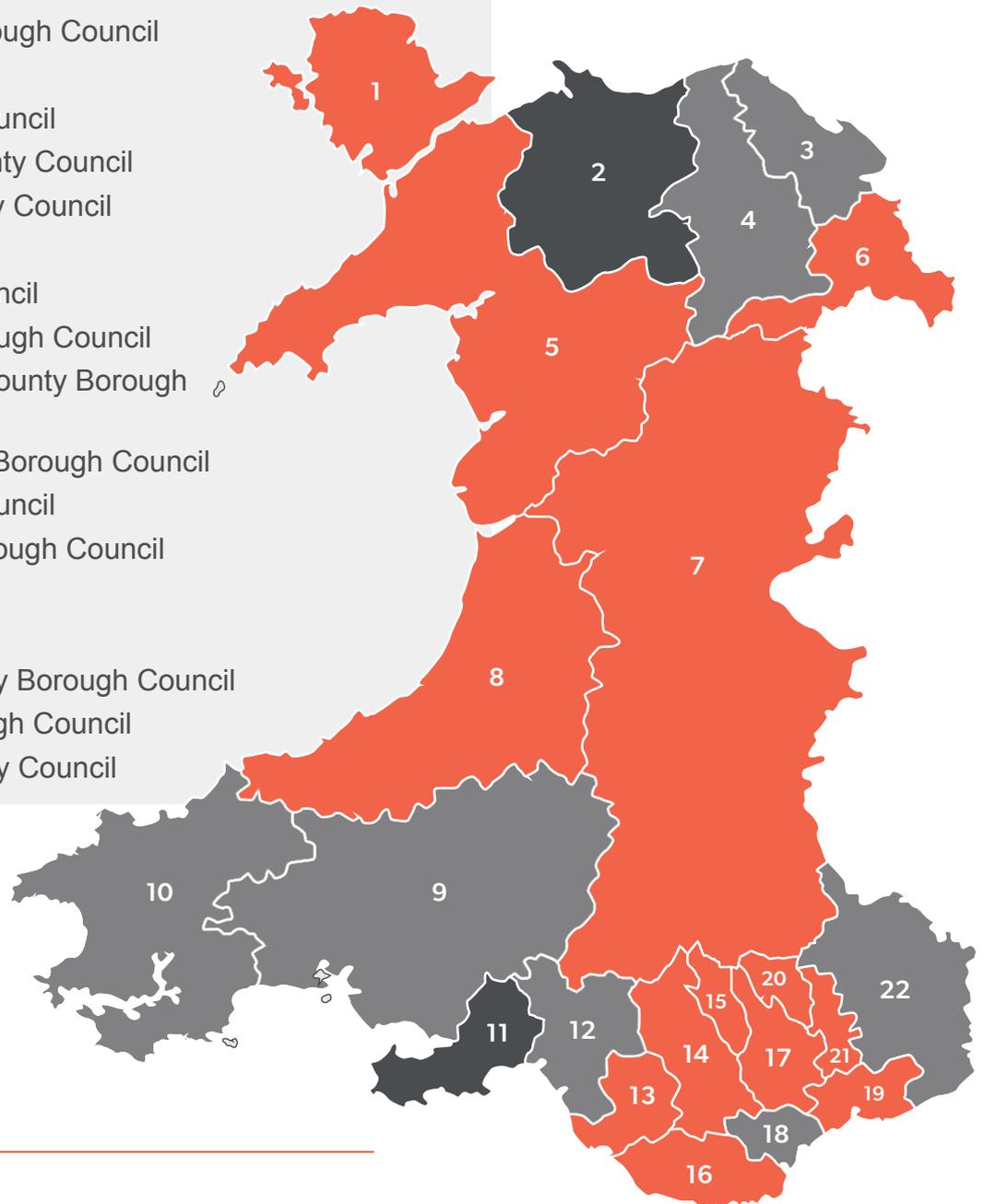
- 2.1 The initial March 2015 full business case estimated that successful implementation for the whole of Wales could take up to four years to achieve. Estimated dates, that were also reflected in the contractual documents, suggested that all 29 organisations could be using the system by December 2018. Of these, 11 organisations were identified for potential go-live in 2015-16 and nine in 2016-17. These timescales were not binding. It was anticipated that the detailed development and implementation plans would be completed in negotiation with the supplier and participating organisations.
- 2.2 As at 31 August 2020, 13 local authorities and two health boards – Hywel Dda University Health Board and Powys Teaching Health Board – had gone live and were using WCCIS in some way (**Figure 1**). The business case recommended that WCCIS should be rolled-out on a regional basis and configured to support regional ways of working, reflecting wider policy developments. This approach to roll-out has not happened in practice.

Figure 1: Implementation status of local authorities and health boards as at 31 August 2020

- Live
- Deployment order signed but not yet live
- No deployment order signed



- 1 Isle of Anglesey County Council
- 2 Conwy County Borough Council
- 3 Flintshire County Council
- 4 Denbighshire County Council
- 5 Gwynedd Council
- 6 Wrexham County Borough Council
- 7 Powys County Council
- 8 Ceredigion County Council
- 9 Carmarthenshire County Council
- 10 Pembrokeshire County Council
- 11 Swansea Council
- 12 Neath Port Talbot Council
- 13 Bridgend County Borough Council
- 14 Rhondda Cynon Taf County Borough Council
- 15 Merthyr Tydfil County Borough Council
- 16 Vale of Glamorgan Council
- 17 Caerphilly County Borough Council
- 18 Cardiff Council
- 19 Newport City Council
- 20 Blaenau Gwent County Borough Council
- 21 Torfaen County Borough Council
- 22 Monmouthshire County Council



- Live
- Deployment order signed but not yet live
- No deployment order signed

[Click here to access our interactive data tool](#) which provides further detail on the roll-out position across all 29 organisations.

Source: National Programme Team

- 2.3 Two more local authorities have signed deployment orders. Of the remaining seven local authorities, three are in active dialogue with the supplier and four are not currently pursuing WCCIS take-up.
- 2.4 Of the remaining five health boards, two have signed deployment orders. Aneurin Bevan University Health Board signed a deployment order in March 2018 with the intention of full implementation by January 2021. The first phase of implementation in mental health services was scheduled for June 2019. In February 2019, CareWorks advised the health board that it would not be able to meet this date. Currently, the timescale for the health board implementing any aspect of WCCIS remains uncertain. In April 2020, the health board wrote to CareWorks with a claim for 'delay payments' under the contract terms. The health board continues to be engaged with the supplier to work through the issues to help inform a correction plan.
- 2.5 After signing a deployment order in March 2016, Betsi Cadwaladr University Health Board had an initial go-live date of April 2017 for a phased implementation commencing with mental health services. The date was not met, and the health board then discussed with CareWorks an initial small-scale implementation in its community nursing and mental health teams. The health board has informed us that it will be reviewing the potential for the WCCIS implementation, along with other priority programmes, as it returns to business as usual post COVID-19.
- 2.6 Swansea Bay University Health Board is in dialogue with CareWorks to work towards a deployment order. Two other health boards are not currently working towards signing a deployment order. Cardiff and Vale University Health Board's view is that even when all the agreed functionality is available, the current version of WCCIS would not meet its requirements, offering less and proving significantly more costly compared to its existing arrangements. Cwm Taf Morgannwg University Health Board is not in active dialogue with CareWorks but intends to implement WCCIS in mental health services first, once the relevant functionality is available.
- 2.7 Even with the benefit of hindsight, the estimated implementation timescales set out in the full business case appear to us to have been unrealistic. The timescales do not appear to have taken full account of the work required to implement the system and manage the necessary business change processes, whether at a national or local level.

- 2.8 CareWorks' capacity to support implementation has also been a concern through much of the period to date. As noted in **paragraph 1.6**, CareWorks intended originally to work with a subcontractor to help develop the required health board functionality. In addition, the original contractual framework did little to encourage organisations to support implementation or to incentivise delivery by CareWorks (**paragraph 1.10**).
- 2.9 For most of the organisations (11 of 15) that have gone live, go-live dates agreed in deployment orders were missed. For local authorities, the average delay was four months with a range between one month and 26 months. For the two health boards, the delays were one month and five months.

Differences in how organisations are choosing to deploy WCCIS currently limit opportunities for integrated working and raise other value for money issues

- 2.10 'Live' can mean different things as organisations can choose which elements of the available functionality they use and how widely they deploy the system. For health boards, the variability has arisen as they have tailored deployment orders to meet their individual needs:
- a Powys Teaching Health Board's deployment order is based on the organisation going live with all the available health functionality. Currently, it is using most of the available functionality. As at August 2020, the health board had 1,083 users of the system.
 - b Hywel Dda University Health Board's deployment order covers just the community nursing element of the system. As at August 2020, its 113 users were using the system to deliver community nursing services in Ceredigion¹⁴. The health board is looking to extend coverage for community services in Pembrokeshire and Carmarthenshire and at how it might use WCCIS in certain therapies services.
 - c As noted in **paragraph 2.4**, Aneurin Bevan University Health Board has agreed a phased approach to implementing WCCIS.

¹⁴ Ceredigion County Council is the only one of the three local authorities in the Hywel Dda region to have signed a deployment order. The Council went live with the system in August 2016.

- 2.11 All local authority deployment orders allow for coverage across a wide range of adult and children's social care services. For some services, such as disabled and frail older people and safeguarding children, all 13 live local authorities are using WCCIS in some way, but still with differences in the detail of their deployment. There is more of a pick and mix approach in other areas. Only one live local authority is using functionality around special education needs, with the same true for adoption. The National Programme Team's view is that there was always going to be some variation to reflect local needs and that this flexibility has encouraged take-up, with the opportunity to make more use of the system as a deployment order progresses.
- 2.12 The full business case did not articulate any specific expectations about how much use organisations would make of the system across different services. However, the current picture means that even where the system is live, it is not yet being used to its full potential. This, in turn, raises questions about the overall value for money of the expenditure to date. Some organisations' service charge costs are slightly lower than the costs they were incurring using previous systems. Nevertheless, the contractual framework means that all are essentially paying service charges for functionality that they are not currently using, albeit to different degrees.
- 2.13 The overall deployment picture and the different approaches to implementation mean that it is currently difficult to realise some of the information sharing and integrated working benefits that the system was expected to support. As part of wider work to identify data and information requirements around COVID-19 for community-based services, WCCIS has been used to help identify vulnerable persons to assist with the delivery of care packages. WCCIS is also being used to support rehabilitation care in the community for people who are recovering from coronavirus. The use of WCCIS to support the COVID-19 response has highlighted the need to address issues around national data standards. It has also shown that this is possible given enough focus.

Key aspects of the expected functionality have been significantly delayed and the National Programme Team has also needed to address concerns about system performance

- 2.14 As noted in **paragraph 1.10**, some early WCCIS documentation suggests that CareWorks was initially expected to have delivered all agreed functionality by October 2015. As at August 2020, key aspects of the originally agreed functionality were still to be fully delivered, notably the mobile application, the interfaces needed to enable WCCIS to integrate effectively with other NHS Wales IT systems and Welsh-language requirements (**Box 2**). In some of these areas the original contractual requirements have been added to and work is still needed to deliver these 'enhancements'.

Box 2: Key areas where functionality is still to be fully delivered, as at August 2020

Integration – The contract requires CareWorks to develop interfaces between WCCIS and several other NHS Wales systems/services, for example, to access diagnostic results, send to and receive information from GPs or receive hospital to community referrals. Developing these interfaces requires collaboration between the NHS Wales Informatics Service, CareWorks and health boards. Some of the required interfaces were identified in the original Statement of Requirements, while others were agreed in 2019 as enhancements to the 2015 contract.

Of the 16 interfaces now agreed, two are currently live and a further seven interfaces are ready to go into testing. The remaining seven are now scheduled for phased delivery through to the end of 2021.

Mobile application – Under the original contract requirements, WCCIS must be capable of working on a mobile platform via wireless and 3/4G so that it can be accessed by NHS and local authority staff working in the community. A version of the mobile application based on the original requirements is now scheduled to be piloted before the end of 2020. The pilot has been delayed in part due to the impact of COVID-19 and the capacity of local organisations to support this work. Enhanced functionality has also been agreed and is due to go into testing shortly, for example to include appointments management.

Welsh language – CareWorks must deliver a system compliant with the Welsh Language Act 1993 and Welsh Language (Wales) Measure 2011 which together govern the use of the Welsh language in the delivery of public services. Some key aspects of the functionality expected to meet Welsh-language requirements set out in the original contract are not yet available. For example, the system does not currently provide for structured data collection in Welsh.

- 2.15 It has been clear to the National Programme Team since implementation in Bridgend County Borough Council in 2016, that the system lacked some of the contractually agreed functionality. A November 2017 Gateway review found that the National Programme Team and CareWorks had different views about whether the issues identified were part of, or enhancements to, the original contractual requirements. In mid-2018, the National Programme Team began work to identify a definitive list of the functionality that remained outstanding.
- 2.16 By March 2019, CareWorks and the National Programme Team had identified that 157 of the 1,500 items set out in the Statement of Requirements had not been delivered. In addition, CareWorks' service desk was not operating as required, the system was not supporting performance reporting as expected, and updates to fix longstanding problems that live organisations were experiencing were failing testing¹⁵. Under the Master Services Agreement, the National Programme Team issued CareWorks with a contractual non-conformance notice and sought to remedy the situation.
- 2.17 After a further six months of dialogue, in November 2019 the National Programme Team and CareWorks agreed a timeline, or roadmap, for delivering the outstanding and enhanced functionality over four updates through to September 2020. Accelerated payments tied to delivery milestones and funded by the Welsh Government were also agreed (**paragraph 1.14**).
- 2.18 Partly as a result of the COVID-19 pandemic, the go-live date of the first of four planned updates to the system was delayed until mid-July. This impacted on the timetable for later updates, which include key aspects such as the enhanced mobile functionality. However, the continuing impact of the pandemic put the plan to complete all four updates by January 2021 at significant risk of delay. The current estimate is that the updates will be delivered on a phased basis through to the end of 2021.
- 2.19 In addition, arrangements have needed to be confirmed for longer-term operational support for the system platform. It has been known since 2018 that WCCIS is based on a version of a Microsoft platform that will not be supported after July 2021. The National Programme Team has since been discussing with CareWorks how to resolve the issue.

15 For example, some areas of the system cannot be audited, and an individual might have multiple active records running on the system. One of the original aims of WCCIS was to improve patient safety by having a single record. While the different records can be accessed, this currently involves workarounds.

- 2.20 Under the 'do minimum' option, WCCIS moves to an updated platform that is supported by Microsoft and with CareWorks required to meet the associated costs under the contract terms. Recently, another option emerged of moving to a newer version of the system hosted on the Cloud¹⁶. In July 2020, the National Programme Team considered the two options. For a variety of reasons, the National Programme Team considered that it was not now practical to move to the Cloud-based version within the required timescales.
- 2.21 Before the end of 2020-21, the National Programme Team expects to complete a detailed appraisal of the costs, benefits and risks of moving to the Cloud-based version of WCCIS. It intends to consider this in the context of longer-term decisions around the possible extension, or otherwise, of the contractual period and wider Welsh Government digital strategy.
- 2.22 There have been some significant performance issues with the system over the past year. These have included some complete outages among nine 'severity level 1' incidents¹⁷ and with additional strain on the system during the COVID-19 response. We have heard from the front-line about the impact of system-performance issues on the ability of staff to do their job effectively. Concerns due to system performance issues, including risks to staff and service users, have also been raised in some local reporting by Care Inspectorate Wales and Healthcare Inspectorate Wales.
- 2.23 The National Programme Team has agreed a performance improvement plan with CareWorks, which has included the installation of additional technical capacity, coupled with recent software improvements. The National Programme Team reports this has resulted in significantly improved performance with ongoing monitoring of the situation.

¹⁶ Currently, WCCIS is centrally hosted on physical hardware in the NWIS data centre.

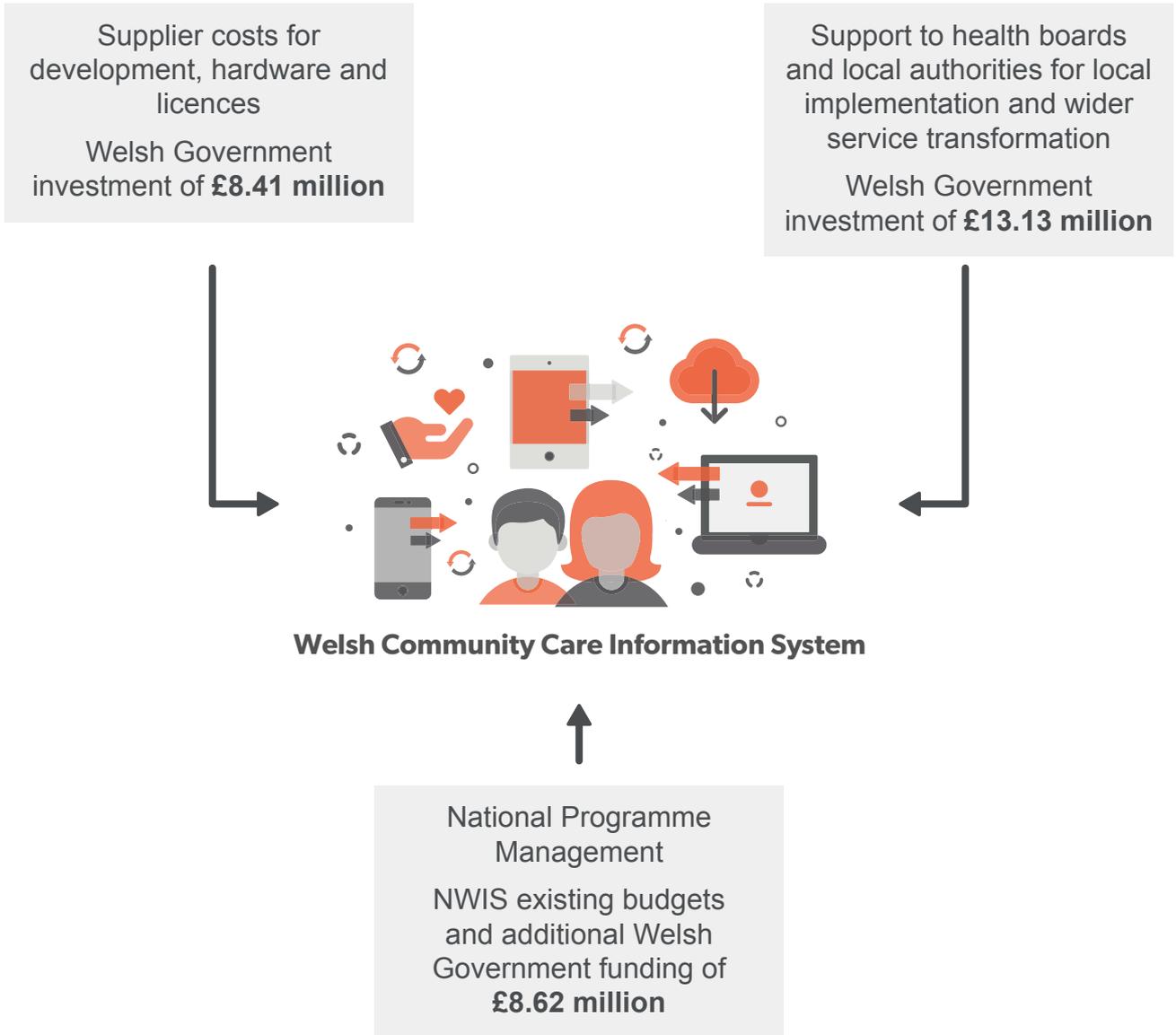
¹⁷ Severity level 1 incidents are the most serious type of system performance issue and defined as causing significant business impact and preventing a normal service being provided.

Implementing and rolling out WCCIS is proving more costly than expected and with additional investment needed to support related service transformation

Overall, just over £30 million has been spent or committed to March 2022 by the Welsh Government and NHS Wales Informatics Service (NWIS)

- 2.24 Where possible, we set out to compare the estimated costs of developing and rolling-out WCCIS with initial estimates in the full business case. Overall, central costs can be broken down into three main areas: Welsh Government capital investment; Welsh Government and NHS Wales Informatics Service (NWIS) spending on national programme support; and Welsh Government funding to support local organisations' costs. Exactly how this local funding is being spent across different activities is not clear. However, the National Programme Team has emphasised to us that its purpose extends beyond the scope of the initial business case.
- 2.25 We recognise that some of the central expenditure to support local WCCIS implementation would otherwise have been incurred to develop or replace other systems on an organisation-by-organisation basis. Also, some of that expenditure is supporting wider service transformation relating to the implementation of WCCIS or contributing to ongoing service charges. The business case accounted separately for ongoing service charges, which it assumed would be met in full by local organisations.
- 2.26 **Figure 2** provides a high-level overview of the £30.16 million known to have been spent by the Welsh Government and NWIS supporting WCCIS implementation and roll-out to date or committed through to the end of March 2022. While we are unable to provide a complete like-for-like comparison, the full business case allowed for central Welsh Government costs and NWIS programme support of £16.75 million up to the end of March 2022 and £20.18 million over a full 13-year term.
- 2.27 **Paragraphs 2.28 to 2.52** in the remainder of this part of our report provide further details about Welsh Government and NWIS expenditure and about additional expenditure by local organisations. In addition to the costs identified, there are opportunity costs associated with staff time that is being committed by various organisations to the overall governance arrangements for WCCIS implementation and roll-out.

Figure 2: Welsh Government and NWIS spend on WCCIS implementation and roll-out and related service transformation, to March 2022 (actual and committed)



Source: National Programme Team and Audit Wales analysis

Welsh Government capital funding of £8.4 million is currently within full business case estimates but with further capital costs possible that may fall to deploying organisations

2.28 The full business case identified a £9.89 million Welsh Government capital funding requirement (**Figure 3**), almost all of which was profiled in the period to the end of March 2021. Local authorities and health boards were expected to identify any local capital funding requirements as part of their local planning. As at December 2019, the Welsh Government had approved £8.41 million of capital grant funding up to March 2022. Should a future decision be made to move to the newer Cloud-based version of the system (**paragraphs 2.20 to 2.21**), additional funding will be required under its own business case.

Figure 3: Welsh Government capital grant funding for WCCIS implementation, up to March 2022 (£ millions)

	Full business case estimate to March 2027	Total grant funding (actual and committed to March 2022)
All-Wales licences	3.94	3.28
Software development	3.60	3.00
Central hardware ¹	2.26	2.10
Network infrastructure ²	0.09	0.03
Total	9.89	8.41

Notes

- 1 Business case estimate included an estimated £0.94 million for a hardware refresh in 2020-21.
- 2 The National Programme Team has told us that, while it was originally allocated £0.09 million for network infrastructure, it will not draw down more than the £0.03 million already spent. The remaining £0.06 million has been subsumed within the commitment shown for central hardware.

Source: WCCIS full business case and National Programme Team reports

- 2.29 In March 2015, the Welsh Government approved an initial £6.58 million of capital funding for licences, software development and central hardware costs. This figure excluded provision for a planned refresh of the central hardware. It also excluded network infrastructure costs of £0.09 million which were covered by the Welsh Government in a separate approval. Meanwhile, the negotiated cost of the licences required was lower than expected in the business case and some additional software development was built initially into the service charges for local organisations (**paragraph 1.13**).
- 2.30 In December 2019, the Welsh Government approved additional capital grant funding of £1.80 million from its Digital Priorities Investment Fund¹⁸. This included a further £1 million provision for the planned central hardware refresh and £0.80 million for software development. The software development funding covers most of the costs that were initially built into local service charges and some additional enhancements that were not within the original scope of the business case and contract¹⁹.
- 2.31 The £0.80 million figure agreed for software development was an estimate. The latest figure following commercial negotiation is £1.12 million. Deploying organisations will need to decide on the affordability and value for money of the remaining enhancements not covered by the Welsh Government funding.
- 2.32 In addition, the National Programme Team is currently negotiating with the supplier to finalise costs to refresh the central hardware during 2020-21. The National Programme Team is anticipating this cost may exceed the £1 million covered by the Welsh Government funding. Organisations that have signed deployment orders are liable to pay a share of any additional costs.

18 Announced in September 2019, the £50 million Digital Priorities Investment Fund is focused on transforming digital services for patients, the public and professionals, investment in data and intelligent information, modernising devices and moving to Cloud services, and cyber-security and resilience.

19 Organisations paying service charges had already contributed £0.02 million to the software development costs, and around £0.30 million of the committed Welsh Government funding is for software enhancements that were not included in the original contract.

At £8.6 million, expected national programme support costs to the end of March 2022 are around £1.7 million higher than estimated in the full business case for the same period

2.33 The full business case estimated a £10.28 million requirement for national programme support over a 13-year period to the end of 2026-27 (**Figure 4**). Within that, it estimated a £6.89 million requirement to the end of March 2022 made up of:

- £1.77 million to cover existing NWIS staff who were supporting WCCIS implementation; and
- £5.12 million for additional dedicated National Programme Team support.

Figure 4: Actual or planned expenditure on National Programme Team support to March 2022 (£ millions)

	Full business case estimate to March 2022	Full business case estimate to March 2027	Actual/committed expenditure to March 2022
NWIS (existing budgets)	1.77	2.17	3.32
Welsh Government funding (additional)	5.12	8.11	5.30
Total	6.89	10.28	8.62

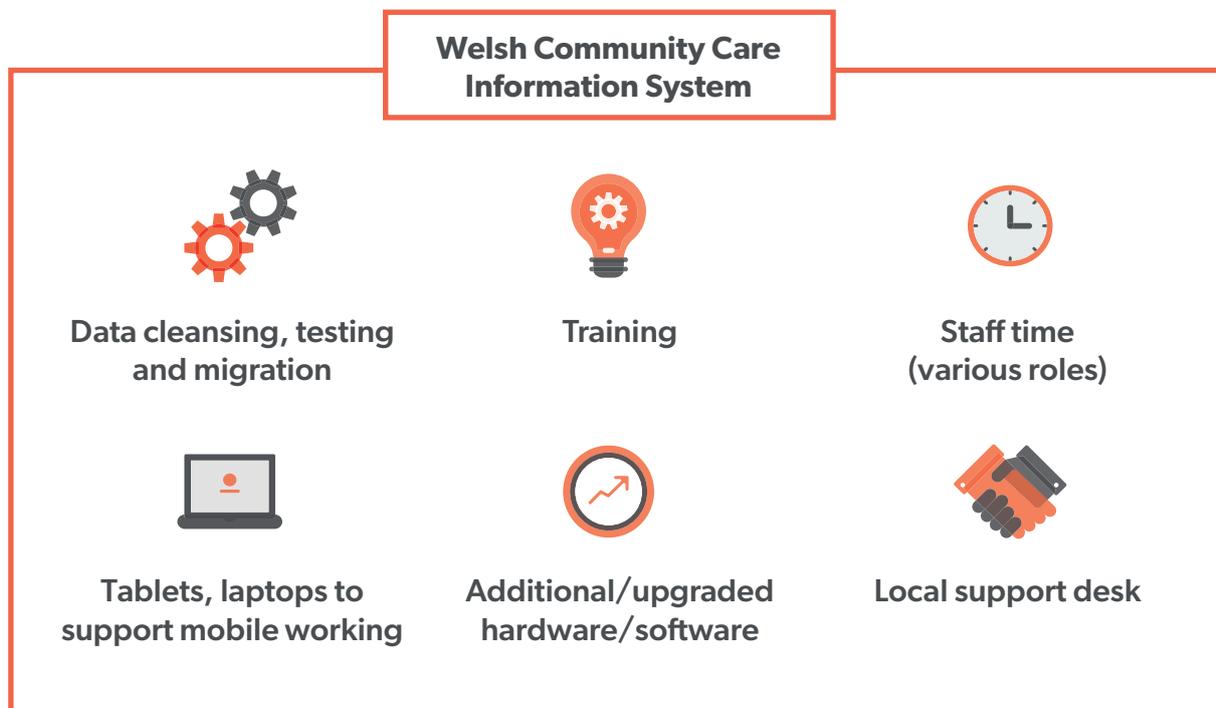
Note: The full business case also included estimated costs associated with NWIS 'hosting' the ICT hardware for WCCIS. This was estimated at £0.59 million over 13 years. Deploying organisations had contributed £0.06 million to the end of 2019-20 with NWIS also reporting that it had absorbed costs of at least £0.05 million. We have not accounted for these costs in our overall analysis.

Source: WCCIS full business case and National Programme Team reports

- 2.34 Until March 2019, support costs were largely covered by a combination of NWIS's existing budgets and £1.5 million of Welsh Government funding from the Integrated Care Fund. In June 2019, responding to a request from the Welsh Government, the Senior Responsible Owners for the WCCIS programme provided an estimate of the overall costs incurred and the additional National Programme Team resources required through to March 2022 to help increase the pace of implementation in health boards and complete roll-out.
- 2.35 The Welsh Government agreed to provide an additional £3.80 million of support through the Digital Priorities Investment Fund. The funding is increasing capacity and capability in several areas. Among other things, these include a national service desk, system testing, training to ensure patient safety, standardisation of system content and work to develop interfaces with other NHS systems (**paragraph 2.14**).
- 2.36 During the latter stages of our work, the National Programme Team changed its estimate of the amount of NWIS resources that had already been spent or were thought to be needed to support national programme management over the full 13 years of the programme. Its original estimate of £9.48 million, which informed the bid for additional Welsh Government funding on top of this figure, has reduced to £6.64 million. The National Programme Team advised us that the forward looking element of its original estimate was speculative and some over-estimation of past spend had occurred when preparing the original figures.
- 2.37 Together with the Welsh Government's funding, the £8.62 million cost of national programme support now estimated through to the end of March 2022 compares with the full business case estimate of £6.89 million. The National Programme Team has advised us that part of the reason for the increase is that the business case did not account for wage inflation for NWIS posts. The National Programme Team is still working through the support requirements and funding arrangements beyond March 2022.

The Welsh Government has so far committed just over £13 million to support local implementation and roll-out and related service transformation

- 2.38 The full business case acknowledged that organisations would incur additional local costs when implementing WCCIS. **Figure 5** describes some of the costs that might be incurred.

Figure 5: Examples of costs to support local implementation of WCCIS

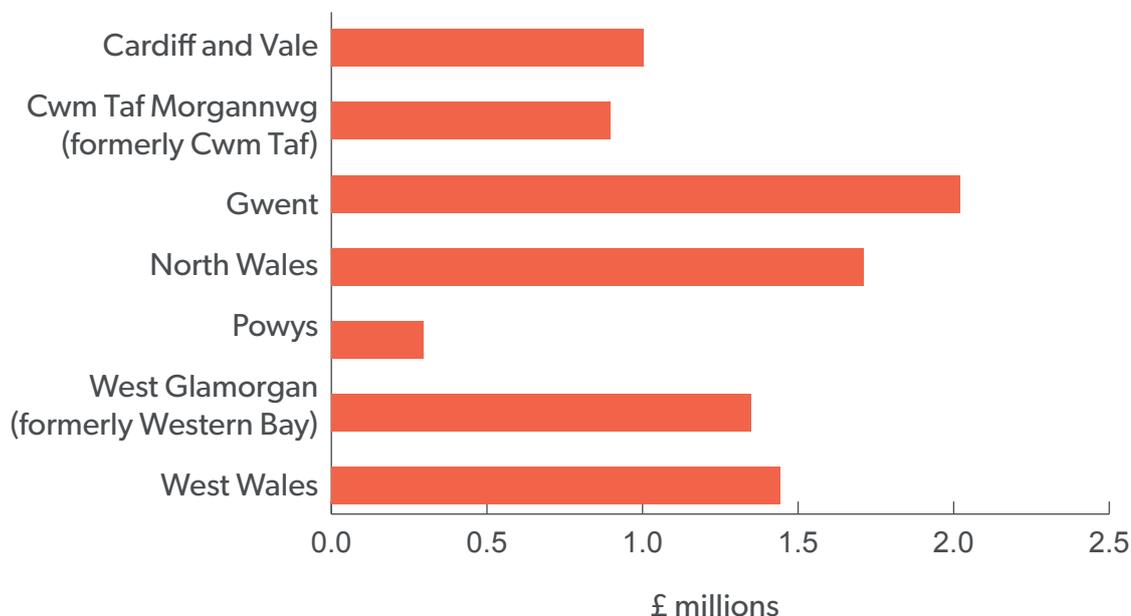
Source: Audit Wales

2.39 The full business case estimated that these costs would total £2.58 million and assumed that organisations would find these resources from their existing budgets. While there are additional costs being met from local budgets, by the end of 2021-22, local authorities and health boards will have received Welsh Government funding of £13.13 million to support implementation and roll-out. As noted in **paragraph 2.24**, the National Programme Team has emphasised to us that the activity that this funding supports extends beyond the scope of the original business case, including wider service transformation work related to WCCIS.

2.40 Much of this funding has come from the Integrated Care Fund (**Figure 6**). This funding is distributed through Regional Partnership Boards (RPBs)²⁰ and will continue through to the end of 2020-21. Overall, the Integrated Care Fund support will total £8.72 million.

²⁰ RPBs consist of health boards, local authorities and the third sector. They work together to improve the wellbeing of the population and how health and care services are delivered.

Figure 6: Regional distribution of the Integrated Care Fund to support WCCIS implementation and related service transformation, April 2016 to March 2021



Notes: Cwm Taf Morgannwg Regional Partnership Board was previously the Cwm Taf Regional Partnership Board. It incorporated the Bridgend County Borough Council area on 1 April 2019 which had previously been part of the Western Bay Regional Partnership Board. The Western Bay Regional Partnership Board is now called the West Glamorgan Regional Partnership Board.

Source: Welsh Government

- 2.41 Initially, RPBs received a formula-based allocation. The National Programme Team considers that around £4.50 million of this funding between 2016-17 and 2018-19 was used predominantly to support planning work around local WCCIS implementation.
- 2.42 Since the start of 2019-20, funds have been allocated on a 'proposal' basis and with more of a focus on related service transformation. Some regions requested an increase on their previous allocations. This created a £0.21 million Integrated Care Fund shortfall for the two years 2019-2021. The difference was met by the Welsh Government Transformation Fund in 2019-20 and is being met from Welsh Government central reserves in 2020-21.

- 2.43 In 2018-19, the Welsh Government provided £0.05 million to Conwy County Borough Council on top of the Integrated Care Fund allocation distributed through the North Wales Regional Partnership Board. This came from a separate Welsh Government social services budget and covered additional training, staffing, software and technical support. The Council signed a deployment order in April 2019 and is currently in the implementation phase.
- 2.44 The full business case also identified that local authorities and health boards might have existing revenue budgets for IT systems that WCCIS would be replacing. However, some local authorities had developed 'in house' systems rather than contracting with external providers.
- 2.45 The National Programme Team requested a further £0.20 million from the Welsh Government between 2019-20 and 2021-22 to support Neath Port Talbot Council to implement WCCIS and £0.30 million to support Monmouthshire County Council²¹. Despite the funding request being agreed by the Welsh Government, Neath Port Talbot Council decided not to commission WCCIS and did not take the funding offered by the Welsh Government. There was a request for this funding to be released to support WCCIS implementation across the wider West Glamorgan region, but the Welsh Government turned this down. Monmouthshire County Council has not yet signed a deployment order and is still in dialogue with CareWorks. There is currently no agreed go-live date.
- 2.46 The Welsh Government is also providing £4.06 million from the Digital Priorities Investment Fund direct to health boards to accelerate implementation between 2019-20 and 2021-22²². This funding will address:
- financial challenges in some health boards where community health services are largely still operating paper-based systems and there are no revenue budgets for IT systems; and
 - embedding of new ways of working for health professionals.

21 The National Programme Team also requested additional funding between 2019-20 and 2021-22 to support Flintshire County Council (£0.04 million) and Conwy County Borough Council (£0.46 million). The Welsh Government turned down this bid as the councils were already paying for existing systems.

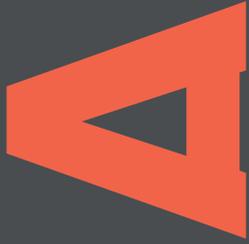
22 This is funding to local bodies, in addition to the National Programme Team support from the same fund (**paragraph 2.35**).

We have been unable to arrive at a reliable overall estimate of local implementation costs met from organisations' own budgets, although it is apparent that these run into several millions of pounds

- 2.47 The National Programme Team has not collated information about overall local implementation costs, including contributions from local budgets. There has not been any specific guidance about how these costs, and any savings compared with previous systems or by not having to go through separate procurement processes, should be considered as part of local business case development. The National Programme Team has noted that it has provided ad hoc advice and supported knowledge sharing about local business case development. It has also emphasised that accountability for detailed local costs, risk and benefits rests with the local organisations.
- 2.48 We asked local authorities and health boards that have gone live or signed deployment orders if they could provide figures on local implementation costs met from their own budgets. Some were unable to do so.
- 2.49 Even where figures were reported, organisations had used different approaches or were unable to distinguish WCCIS specific costs from wider project work. It was difficult therefore to identify a valid overall estimate. However, examples included Betsi Cadwaladr and Aneurin Bevan university health boards which reported quite different figures of £0.41 million and £3.16 million up to the end of March 2020²³. As noted in **paragraphs 2.4 to 2.5**, neither of the two health boards has yet gone live despite signing deployment orders.
- 2.50 Some organisations that are yet to sign deployment orders also provided forward-looking estimates. Cardiff and Vale University Health Board for example had estimated that implementation would cost £3.9 million, including work to develop functionality equivalent to its current arrangements. Ongoing maintenance costs would also be significantly more expensive.
- 2.51 To the end of June 2020, those organisations that have progressed with implementation to the point of paying service charges had paid a total of £2.56 million to CareWorks. The overall extent to which this is new expenditure compared with the cost of previous systems is not clear. However, some organisations are realising modest savings compared with the cost of previous systems (**paragraph 2.12**). The roll-out position means that CareWorks' income from service charges has been substantially lower than expected at the outset.

23 The figures provided by Betsi Cadwaladr University Health Board include costs of staff directly employed to support implementation but exclude the value of staff time for others who still assisted. Similarly, Aneurin Bevan University Health Board has noted that its estimate does not account in full for all the staff time that has been committed.

2.52 There are other ongoing costs for organisations that have gone live, but that may also have been incurred previously supporting predecessor systems. The full business case included a £6.64 million estimate for financial resources required to fund ongoing local WCCIS support costs over a 13-year period.



Programme management

03

While action has been taken at various points to review and try to accelerate programme delivery, some key issues have taken a long time to resolve or have still not been fully resolved

The programme was slow to respond to issues identified by a November 2017 Gateway Review, including delays filling two important National Programme Team roles

- 3.1 As noted in **paragraph 2.7**, in our view some of the early estimations around the pace of roll-out were simply unrealistic. However, in a programme of this nature it is also inevitable that there will be a need to respond to issues as they arise and to keep delivery arrangements under review.
- 3.2 In November 2017, the programme's Senior Responsible Owners commissioned a 'Gateway Review' that looked at the prospects for successful delivery. For the purpose of the review, successful delivery was narrowly defined as delivering the technical platform within the available Welsh Government capital funding and its use as a stable live system by an [unspecified] critical mass of local authorities and health boards.
- 3.3 The review gave the programme an 'amber' rating. The review found that there were some significant issues facing the programme but that these issues were being addressed and, at the time, appeared resolvable.
- 3.4 Parts 1 and 2 of this report have already described various actions taken before and since the Gateway Review, including contractual changes and decisions around additional funding and implementation support. Nevertheless, many of the issues that have been identified during the life of the programme have taken a long time to resolve or have still not been fully resolved.
- 3.5 The National Programme Team considers that eight of the Gateway Review's nine recommendations are now complete, although most actions in response extended beyond the anticipated deadline of late spring 2018. Because it took about a year for the Welsh Government to agree funding, there were delays filling two new posts to support implementation. The Gateway Review found that programme staff were over-stretched and identified a 'significant weakness' in communication between the National Programme Team and other organisations. In December 2018, a new Programme Director took up post to oversee the governance and activity of the programme. From June 2019, a Communications Lead began working on a consultancy basis.

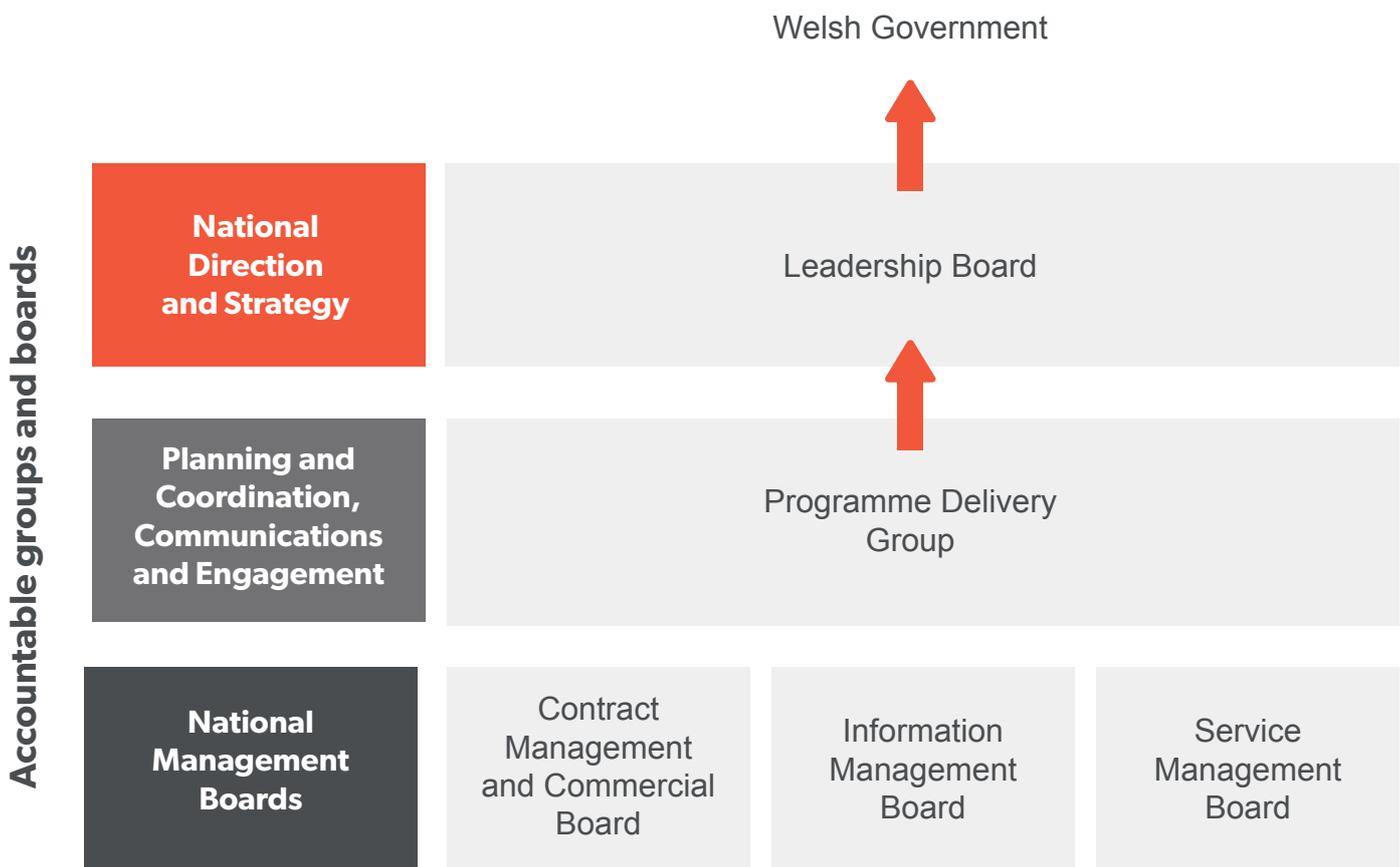
- 3.6 Work is ongoing to develop a Benefits Framework (**paragraph 3.18**) and despite the National Programme Team viewing the original recommendation as complete, further work is needed on the roadmap for the outstanding functionality (**paragraph 2.18**). Establishing revised governance arrangements has also taken longer than expected.

Recent changes to programme governance structures are intended to support a more co-ordinated national approach, including acceleration of national data standards which are key to realising some of the benefits of WCCIS

- 3.7 Following revisions to decision-making and escalation structures in May 2019, in September 2019, the WCCIS Leadership Board refreshed its Terms of Reference to try to clarify where it exercises decision-making authority. Under the current Terms of Reference, the Leadership Board has 'overall responsibility for ensuring the delivery of the digital capability to support service transformation and supporting and encouraging its implementation across Wales'.
- 3.8 Responsibility for implementing WCCIS is widespread and includes the health boards and local authorities as well as the Regional Partnership Boards. The Welsh Government can require health boards to use the system but has not yet chosen to do so. It is currently relying on accelerating take-up through the additional funding that it is providing (**paragraph 2.46**). Although it has also provided some financial support to local authorities, the Welsh Government does not have similar powers to require them to use the system.
- 3.9 In providing additional funding from the Digital Priorities Investment Fund, the Welsh Government made clear that it expected the National Programme Team to do several things by February 2020, including to develop a detailed delivery plan and timetable. None of the deadlines were met. In March 2020, the Welsh Government told the National Programme Team that continued funding is contingent on the required actions being undertaken or alternative arrangements being agreed. The required actions have since been discharged.

3.10 **Figure 7** sets out the current high-level programme governance arrangements as agreed from January 2020. In addition to the new National Programme Team roles described above, these structures have evolved over the life of the programme, with new groups set up recently to try to address some of the remaining areas of concern. The governance arrangements now include a revised Programme Delivery Group with regional representation to oversee and co-ordinate activities that require or would benefit from a national and strategic approach. At the time of our fieldwork it was too early to judge the impact of these revised arrangements, although the National Programme Team considers that they have proved invaluable through the COVID-19 response.

Figure 7: High-level governance structure for the WCCIS Programme, from January 2020



Note: **Appendix 2** provides further details about roles and responsibilities and other parts of the governance structures, including three further 'national assurance and advisory groups'.

Source: National Programme Team

- 3.11 A key aim is to accelerate national data standards as the basis for a national reporting framework in children’s services, mental health, community nursing, social care and therapies²⁴. Practitioners use electronic forms to assess the needs of patients. Individual organisations have developed their own forms, based on the information they want to report on and their own data definitions. The additional Welsh Government funding confirmed in December 2019 means that the National Programme Team is now able to support clinical informaticians to work in four of these five areas. However:
- a work across the five areas is at different stages of development. Achieving consensus about the content of national forms is not straightforward, particularly as it requires a degree of consensus about working practices. For example, it took about three years to develop a standardised all-Wales nutrition risk assessment for use in adult in-patient settings. The Welsh Government has had an ambition to develop a core dataset for mental health since 2012²⁵. This is now scheduled for delivery by the end of 2022.
 - b for any forms developed to be national, organisations not using WCCIS would also have to agree to use the forms, either as paper-based forms or changing their existing IT systems.
 - c it is not clear how the use of these forms could be mandated for use by local authorities.
- 3.12 A new Information Management Board will support the development of the national data standards and will also aim to address the long-standing issues around Welsh-language requirements and the development of an integrated record (**paragraphs 2.15 to 2.17**). An Integrated Record Group will link in with the Board, with its terms of reference to be agreed in September 2020.

Work is still ongoing to develop a framework for reporting on the benefits realised from WCCIS implementation

- 3.13 The potential benefits of WCCIS implementation can be immediate – for example implementation is seeing some community-based health records move onto an electronic system – and longer term, supporting wider service transformation. In articulating some of the potential benefits (**Figure 8**), the full business case set out the need for a ‘benefits strategy’, with roles clearly assigned. It made clear that responsibility for collecting evidence about benefits rested with local organisations. The suggested focus for the Leadership Board, set out in its terms of reference, was on collating that evidence and promoting the main messages.

²⁴ Therapies include services such as podiatry, physiotherapy, occupational therapy, dietetics, speech and language therapy and art therapy.

²⁵ Welsh Government, **Together for Mental Health Delivery Plan**, October 2012.

Figure 8: Potential benefits of WCCIS implementation

Source: Audit Wales based on WCCIS full business case

3.14 The arrangements for reporting the benefits from WCCIS implementation have been the subject of discussion and review from the outset (**Figure 9**). Despite some early developments, the November 2017 Gateway Review still called for a benefits realisation plan. It also highlighted the need to distinguish between the direct immediate business benefits from the technology itself and those from wider business change. The review recommended giving priority to collecting evidence of wider business change being achieved by roll-out of the system. Work is still ongoing to develop a suitable reporting framework.

Figure 9: Timeline of benefits reporting framework developments

- 3.15 Until March 2019, Regional Partnership Boards were not required to report on the specific outcomes being achieved with the funding they received for WCCIS implementation from the Integrated Care Fund (**paragraphs 2.40 to 2.42**). From April 2019, funding has been allocated on a 'proposal' basis with a focus on benefits realisation, although the reporting arrangements do not align with the intended outcomes outlined in the full business case for WCCIS implementation.
- 3.16 During our work, we asked local authorities and health boards for any evidence of local or regional benefits realisation. We received limited feedback. The National Programme Team shared with us evidence compiled by Bridgend County Borough Council which reflected on lessons learnt. In summer 2019, Powys Teaching Health Board surveyed its users although the response rate was low and the feedback mixed. Powys County Council has recently surveyed users' perceptions of the performance of the system, in its adults and children's social services departments. At the time of writing, we had not seen the full set of survey results.
- 3.17 We were not provided with any evidence at this stage that WCCIS is being used to progress wider service transformation benefits. Mainly, this is because the system has not yet been rolled out more fully. As noted in **paragraph 2.10**, even where the system has been implemented, there are differences in the way it is being used. Some of the issues around functionality (**paragraph 2.14**) and standardisation (**paragraph 2.35**) are also acting as barriers to integrated working.
- 3.18 In January 2020, the National Programme Team came together with regional representatives to discuss work to date on approaches to benefits management and reporting. Initiatives in this area were reported by the National Programme Team to be very variable between regions and local organisations.
- 3.19 The National Programme Team is now seeking to work effectively with regional WCCIS groups to develop a benefits framework that can support and inform local and regional developments and provide more detailed and structured national reporting. The national WCCIS Business Change Group is seen as a key forum to support this work. A task and finish group will be responsible for developing a national benefits framework that links effectively with, and supports, local and regional approaches.

3.20 The Welsh Government's recent approval of grant support from the Digital Priorities and Investment Fund comes with specific evaluation requirements. The Welsh Government is expecting the National Programme Team to produce a comprehensive annual report on the progress of the programme, starting with the period to the end of March 2020. That first report had been due by the end of April 2020, but completion has been delayed by the impact of COVID-19.



Appendices

- 1 Audit approach and methods**
- 2 Implementing WCCIS: roles and responsibilities**

1 Audit approach and methods

Audit approach

We examined whether key partners have put in place the appropriate arrangements to implement WCCIS and deliver its anticipated benefits.

We focussed on whether the functional requirements and intended benefits are being delivered within anticipated costs and timescales. We also considered the contractual model and the way in which the development and implementation of the system is being funded. We have not looked in detail at the arrangements that individual organisations have put in place to support local implementation or at the regional programmes of work that are intended to support wider service transformation related to WCCIS.

We confirmed the scope of our work to the Welsh Government and the WCCIS Leadership Board in October 2019 and gathered and reviewed most of our evidence between November 2019 and February 2020.

We provided feedback about our emerging findings to the Welsh Government and WCCIS Leadership Board members in February 2020.

In advance of publication, we invited comments on our draft report, or relevant extracts, from the Welsh Government, the WCCIS Leadership Board, the WCCIS supplier – CareWorks, and other named organisations. Our report reflects the position of the programme and the evidence available to us as at the end of August 2020.

Audit methods

Document review

We reviewed a wide range of WCCIS-related documents including contractual documents, business cases, papers supporting the National Programme governance arrangements, Ministerial briefings and a 2017 Gateway Review report.

For wider context, we also considered relevant issues covered in other reports relating to information systems in NHS Wales, including:

- Auditor General for Wales, **Informatics systems in NHS Wales**, January 2018
- National Assembly for Wales Public Accounts Committee, **Informatics systems in NHS Wales**, October 2018
- Channel 3 Consulting (for the Welsh Government), **Digital Architecture Review – Final Report**, March 2019
- Local Partnerships, **Welsh Government Review: Future Structure and Governance for Health Informatics in Wales**, March 2019

Interviews

We interviewed officers from across the Welsh Government, NHS Wales and local government and met with the NHS Assistant Directors of Informatics group. We had discussions with the chairs of WCCIS regional partnership groups and with regional co-ordinators, where regional structures exist.

We also met with CareWorks, the contracted supplier for WCCIS, and with its new parent company Advanced.

Analysing costs and benefits

We analysed several different sources of data to get an overall picture of expenditure on WCCIS implementation.

We also collected information from the 22 local authorities and seven health boards about expenditure on WCCIS and arrangements for measuring and reporting on the benefits of the system.

Visits

We visited Powys Teaching Health Board and Bridgend County Borough Council to meet with staff who use WCCIS.

2 Implementing WCCIS: roles and responsibilities

Figure 10 provides an overview of some of the key roles and responsibilities of those leading and managing the programme. **Figure 11** summarises the current governance arrangement for the WCCIS programme at a national level. Aspects of both the roles and responsibilities and the governance arrangements have evolved over time to address some of the challenges that have been faced.

The National Programme Team has emphasised to us that the role of the WCCIS National Programme is to ensure delivery of digital capability that can support local and regional service transformation and to support and encourage its implementation.

While it has an overall co-ordinating role, the National Programme does not have direct authority or accountability for all aspects of the complex landscape and the mix of stakeholders. Regional Partnership Boards have a role to align and support local organisations' take-up of the system as part of the wider aims of regional transformation strategy and plans. Local organisations have their own individual lines of accountability for their investment in local implementation.

In addition to the high-level structures described here, a range of other groups have been established at a national and a regional level to support WCCIS implementation and benefits realisation. These include a Business Change Group that reports to the Programme Delivery Group and oversees the work of a task and finish group established in February 2020 to develop a national benefits framework.

The core membership of the WCCIS Leadership Board includes the SROs, Director of NWIS, the WCCIS Programme Director and an Association of Directors of Social Services (ADSS) Cymru representative. The full board also includes Welsh Government policy leads, chairs of the three national boards, the WCCIS Communication and Engagement Lead and a senior representative of CareWorks, as required. Membership of other groups varies, but they draw in a wide range of representatives for specific organisations/sectors and professional groups.

Figure 10: Key roles and responsibilities in the WCCIS programme

Role	Responsibilities
Senior Responsible Owners (SROs)	Joint chairs of the Leadership Board. One is the Chief Executive of Powys Teaching Health Board and the other is Director of Social Services for Caerphilly County Borough Council. The role of the SROs is to ensure that work is governed effectively and delivers the programme objectives.
WCCIS Programme Director	Accountable to the SROs and chairs the Programme Delivery Group. Has a lead role in building and maintaining stakeholder relationships, engaging with Regional Partnership Boards, regional WCCIS boards, and other groups as required.
WCCIS Programme Manager	Day to day co-ordination, management and reporting on the programme.
WCCIS Communications and Engagement Lead	Responsible for national communication and engagement strategy and planning.
NWIS support	NWIS hosts the dedicated national programme, including the WCCIS Programme Director and Communications and Engagement Lead. NWIS staff provide additional operational support to the programme and NWIS manages the data centres that house the CareWorks hardware.

Figure 11: Key governance groups in the WCCIS programme

National direction and strategy	Leadership Board	Oversees the alignment of WCCIS with Welsh Government health and social care policy and strategy. Directly accountable to the Welsh Government via the joint SROs.
Planning and co-ordination, communications and engagement	Programme Delivery Group	National planning and co-ordination. Accountable to the Leadership Board. Responsible for co-ordinating the work of the three national boards across the seven regions.
National Management Boards	Contract Management and Commercial Board	Responsible for delivery of the contractual requirements. Provides commercial expertise and guidance to other groups.
	Information Management Board	Works with other national initiatives to develop and assure national information and data standards, and reporting requirements, across community health and social care services.
	Service Management Board	Ensuring WCCIS is operated in line with the Master Services Agreement and All-Wales Deployment Order.
National assurance and advisory groups	Practice/ Business Assurance Panel	Advisory group on integrated health and social care services. Provides assurance that programme plans and activities are consistently benefits led.
	Information Governance Advisory Panel	Providing advice, guidance and ensuring appropriate and timely consultation as required.
	Change Advisory Group	Approving, declining or deferring any request for change across all organisations using WCCIS.



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