

WHC (2006) 050

# WELSH HEALTH CIRCULAR



**Issue Date:** 11<sup>th</sup> July 2006  
**Status:** ACTION

Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

**Title:** DELEGATED LIMITS FOR CAPITAL DEVELOPMENTS – THE ACCREDITATION PROCESS

**For Action by:** Chief Executives: NHS  
Trusts and Powys LHB

**Action required:**  
Paragraph 1

**For Information to:** See attached list

**Sender:** Mr Paul Nicholls, *Acting* Head of Capital, Estates & Facilities, Resources Directorate, Department for Health & Social Services, Welsh Assembly Government, Cathays Park, Cardiff, CF10 3NQ.

**National Assembly Contact for matters of Policy:** Paul Nicholls, *Acting* Head of Capital, Estates & Facilities Branch, Resource Directorate, Department for Health & Social Services, Welsh Assembly Government, Cathays Park, Cardiff, CF10 3NQ.

**Enclosure(s):** No enclosures



BUDDSODDWR MEWN POBL  
INVESTOR IN PEOPLE

Parc Cathays  
Caerdydd  
CF10 3NQ

Cathays Park  
Cardiff  
CF10 3NQ

Ffôn • Tel: 029 2082 0000  
Linell union/Direct line: 029 2082 6359  
Ffacs • Fax: 029 2080 5429  
Epost • Email: [Paul.Nicholls@wales.gsi.gov.uk](mailto:Paul.Nicholls@wales.gsi.gov.uk)

Dear Colleague,

## **DELEGATED LIMITS FOR CAPITAL DEVELOPMENTS: THE ACCREDITATION PROCESS**

### **SUMMARY**

1. NHS Trusts are invited to apply for Accreditation to increase their delegated limit for capital approval.
2. It is envisaged that all NHS Trusts should achieve Accreditation within the next two years.

### **BACKGROUND**

3. WHC (2006) 001 set out new delegated limits for NHS Trusts with Accreditation.

The limits are as follows:

- For larger Trusts (over £380 million turnover) £8 million
  - For medium Trusts (over £180 million turnover) £5 million
  - For smaller Trusts £3 million
4. For all Trusts without Accreditation, regardless of size, the delegated limit is £2 million.
  5. This Welsh Health Circular outlines the Accreditation process and highlights the areas for review.
  6. The aim will be for all Trusts to achieve Accreditation. Where necessary, an improvement programme will be agreed between the Trust and the Investment Policy and Appraisal Group (IPAG) to ensure that this is achieved.

### **APPLICATION PROCESS**

<b>Step 1</b>	NHS Trust requests Accreditation via Regional Office to IPAG
<b>Step 2</b>	IPAG meets with Trust lead officer to explain assessment criteria
<b>Step 3</b>	IPAG undertakes formal assessment and provides review findings
<b>Step 4</b>	If appropriate, IPAG and Trust agree a Plan for Improvement if there are areas requiring attention
<b>Step 5</b>	IPAG recommends approval to CIB

## **AREAS FOR EVALUATION**

### **People**

- ✓ NHS Trust Board awareness of investment appraisal
- ✓ Board Level Director with overall responsibility
- ✓ Competence and skills of relevant personnel
- ✓ Relationships with key external stakeholders
- ✓ General training & awareness

### **Systems**

- ✓ Effective management and co-ordination of business cases
- ✓ Arrangements for business assurance & review
- ✓ Clear links to Trust business and service plans
- ✓ Continuous improvement/learning

### **Tools & Methods**

- ✓ Compliance with Assembly guidance
- ✓ Effective use of appropriate tools & techniques
- ✓ Arrangements for programme/project management

7. IPAG will develop evaluation criteria based on each of these areas which will be shared with the Trust prior to the Assessment being undertaken.

## **REMOVAL OF POWERS**

8. Capital Investment Board reserves the right to withdraw Accreditation on the recommendation of Regional Office and IPAG if standards are not maintained.

Paul Nicholls  
Acting Head of Capital, Estates & Facilities  
Resources Directorate, Department for Health & Social Services

## DISTRIBUTION LIST

Chief Executives	NHS Trusts
Chief Executives	Local Health Boards
HR Directors	Business Services Centre
Director	Welsh NHS Confederation
Chief Officer	Association of Welsh Community Health Councils
Director	Welsh Local Government Association
Dean	University of Wales, Bangor
Chief Executive	Commission for Racial Equality
Chief Executive	Centre for Health Leadership
Secretary	British Dental Association in Wales
Postgraduate Dean	University of Wales College of Medicine
Director information services	University of Wales College of Medicine
Secretary	British Medical Association (Wales)
Regional Head of Health	UNISON
Director	Royal College of Nursing (Wales)
Welsh Council	British Dietetic Association
Representative	
Wales Secretary	British Orthoptic Society
Wales Secretary	AMICUS MSF
Regional Secretary	The GMB
Regional Secretary	Transport & General Workers Union
Chair	Community Pharmacy Wales
Chair	Royal College of General Practitioners
General Secretary	Wales TUC
Assistant Director	Chartered Society of Physiotherapists
Officer for Wales	Society of Radiographers
IR Officer	Society of Chiropodists and Podiatrists
Regional Secretary	Union of Construction Allied Trades and Technicians
Board Secretary for Wales	Royal College of Midwives
Officer for Wales	AMICUS Electrical & Engineering Staff Association
Regional Secretary	AMICUS Amalgamated Electrical and Engineering Union
Welsh Executive	Royal Pharmaceutical Society of Great Britain
Health & Social Care Policy	Wales Council for Voluntary Action
Officer	
National Member for Wales	AMICUS - Guild of Health Care Pharmacists
Business manager	Institute of Health Care Management Welsh Division
Chief Executive	Association of Optometrists
Librarian	British College of Optometrists
Director General	Welsh Audit Office
Director	Business Service Centre
Patch Managers	Business Service Centres across Wales (6 copies each)
Secretariat	Statutory Committees
Regional Directors	NHS Wales Regional Offices
Chief Executive	Health Commission Wales (Specialist Services)
Chief Executive	Health Professions Wales
Librarian	National Public Health Service
Chief Executive	Welsh Language Board / Bwrdd yr Iaith Gymraeg
Librarian	Health Promotion Library
Chief Executive	Healthcare Inspectorate Wales