

Independent Review: International Training Fellowship Programme

University Hospitals Birmingham NHS Foundation Trust

—
July 2025



Contents

	Page
01. Executive Summary	3
02. Findings and Management Actions	7
03. Appendices	23



Executive Summary

Background of the Independent Review

Like many large teaching hospitals across the sector, University Hospitals Birmingham NHS Foundation Trust ('the Trust') has in place an International Training Fellowship Programme ('the Programme'), aimed at providing international doctors '*hands-on clinical training across the full range of medical specialties.*'

The Programme operates through the Medical Training Initiative ('MTI'), which means that suitably qualified international postgraduate medical trainees can have a maximum two-year placement at the Trust, before returning to their home country. The intention of the MTI scheme is to benefit the healthcare system of the doctor's home, lower-income, country by providing education and training while the doctor is in the UK that they can take back to their own country. NHS Employers describe the scheme as an '*philanthropic earn-learn-and-return scheme.*' whilst also recommending that where a doctor is essentially performing the same duties as a UK training position but under MTI then it is sensible, and pragmatic, to offer pay and terms and conditions in line with these staff.

Since its inception, 15 years ago, the Programme has been gradually expanding the number of International Training Fellows ('ITFs') on placement at the Trust. The main route for ITFs joining the Trust has been through the Memorandum of Understanding established with the College of Physicians and Surgeons Pakistan ('CSPS') in 2017. As at May 2025, 93% of the 214 ITFs on placement at the Trust are via this agreement, compared with 66% of the 60 ITFs at the same point in 2018. In total, the Trust has MoUs in place with five overseas institutes, four of which are based in Pakistan, and one in India.

Recently, the Programme has moved into the Trust's Medical Academy, and with it, a change in leadership. The Executive Lead and Medical Director (Corporate) who had been in place throughout most of the Programme's life have both retired in recent months.

The Trust has stood up a Medical Academy Steering Group, which has been reviewing the various medical training programmes it has in place and has subsequently commissioned us to undertake an Independent Review of the Programme. The scope for this review covered six objectives, as set out within the appendix to this report and has included meetings with key stakeholders, desktop review of documentation, along with elements of testing to further understand how arrangements have been operating in practice.

Conclusion

As part of this review, we identified elements of good practice, as set out over the page. For example, from an educational perspective there were most of the components in place we would expect to see for a MTI programme, such as an initial four-week induction for ITFs upon arrival, assignment of clinical tutors, access to ePortfolio, and a completion certificate awarded at the end of two-year placement. The Trust established a regular routine of a twice-yearly intake of new ITFs, with high completion rates, and has supported the Trust in addressing gaps from a medical staffing perspective.

However, whilst recognising the Programme was established with best endeavours to help the Trust address both its medical staffing and financial challenges, we have identified several risks, including both financial and reputational, which collectively, in our view, will require the Trust Board to reappraise the Programme going forwards. We set out the salient points below.

Tax Risk: The Trust has taken a different approach to how ITFs receive financial payments during their placement and the terms and conditions it provides. In our view, we do not consider HMRC will be willing to accept the current arrangement from an employment tax perspective.

Financial Payments: The Trust has an unusual arrangement where it has paid £40.5m of 'stipend' payments to a small UK based company as instructed by the overseas institutes. There is no contract or agreement in place between the Trust and company, the Trust does not receive a monthly schedule or invoice from the company or overseas institutes setting out expected amounts or contemporaneous volume of ITFs, and the Trust does not know the value of financial payments each ITF receives.

Terms and Conditions: The Training and Education Agreement in place between ITFs and the Trust, in our view, is based upon incorrect assumptions with regards to how the Programme operates in practice and does not adequately set out the entitled employment rights for ITFs.

Learn and Return: Our analysis shows that of a sample of 80 ITFs who have completed the Programme in the past twelve months, at least 68% have remained in the UK under a Skilled Worker Visa, which contravenes the purpose of the Medical Training Initiative in supporting lower income countries develop their healthcare system.

Overall, this review has made 17 findings, with corresponding management actions which management should implement to address the issues raised and risks identified. It is important to note that our findings should not be taken as tax or legal advice.

Executive Summary

Areas of Good Practice

- ✓ Key educational components expected for an MTI programme were in place with regards to the ITF programme, as follows:
 - The ITFs benefit from a four-week induction upon arrival, during which time they are supernumerary;
 - ITFs are provided with core clinical skills as part of induction processes;
 - Clinical Tutors are assigned to ITFs, and from our interviews we understand that the ratio of tutors to trainees is higher than on other programmes, which should facilitate better support for ITFs;
 - ITFs have access to ePortfolio, in line with other trainees, to track learning and development;
 - Certificates are awarded to ITFs upon completion of the two-year placement; and
 - ITFs benefit from twice yearly performance appraisal.
- ✓ The Programme is well-organised, with two regular intakes a year, one in the summer and one in the winter
- ✓ We understand the Programme has returned high completion rates
- ✓ The Programme has provided an important resource to the Trust, in addressing rota gaps from a medical staffing perspective
- ✓ Memoranda of understanding were found to be in place with each overseas organisation
- ✓ We noted there were reasonable governance arrangements to manage the Programme at an operational level
- ✓ More recently, since the Programme has moved into the Medical Academy, there has been greater oversight through the Medical Academy Steering Group.

Key Findings

Our findings are summarised below and overleaf and detailed further in **Section 2**.

Objective	Number of Findings
1 – Programme Governance	3
2 – Arrangements with Overseas Partner Organisations	2
3 – ITF Contracts	5
4 – Financial Flows	4
5 – Interview and Selection	1
6 – Travel and Expenses	2
Total	17

Executive Summary (cont.)

Summary of Recommendations:

Below we have summarised our recommendations, with detail provided in **Section 2**:

Title	Summary of Recommendation
A. Tax Risk	We consider it unlikely that HMRC will be willing to accept the current set-up of the Programme from an employment tax perspective. The Trust should seek tax advice with regards to how to respond to this risk.
B. Third-Party Company	The Trust needs to review the current arrangement for making stipend payments via a third-party company to ensure it is appropriate from a tax perspective and address the identified gaps in financial controls
C. Financial Payments to ITFs	The Trust should receive assurance over the financial value each ITF receives to ensure compliance with visa requirements and that the Programme is operating inline with MTI and NHS Employers guidelines
D. Reassessing the Employment Status and Employment Rights for ITFs	The Trust should reassess the employment status of ITFs, and whether the Training and Education Agreement in place between the Trust and each ITF sufficiently sets out entitled employment rights.
E. DBS Checks	The Trust should ensure that all ITFs have DBS checks before commencing clinical work per Trust policy.
F. Locum Work Contract	The Trust should ensure appropriate locum contracts are in place for ITFs undertaking such work.
G. Medical Indemnity	With regards to medical indemnity, the Trust should ensure that ITFs have in place appropriate insurance and/or covered by the Trust's insurance.
H. Tier 5 - Government Authorised Exchange Visa (Temporary Work)	The Trust should seek advice that it is not in breach of visa requirements for ITFs.
I. Learn and Return	Our testing showed that a large proportion of ITFs, on placement at the Trust, do not return to their home country following their placement.
J. Overseas Travel	The Trust should finalise and publish a Staff Travel Policy, to set out overseas travel requirements for the International Team.
K. Hospitality and Declarations of Interest	There should be greater clarity across the agreements in place between the Trust and overseas organisations with regards to overseas recruitment events, including how these trips are funded. It would be prudent for the Trust to manage all aspects of overseas bookings and recharge any appropriate costs as part of overarching agreements.

Executive Summary (cont.)

Title	Summary of Recommendation
<i>L. Procurement Implications</i>	The Trust should seek advice that there are no procurement implications associated with the agreement in place with CPSP.
<i>M. Budget</i>	The Trust should consider whether a more sophisticated methodology should be applied for apportioning costs against the Programme when developing the Programme's annual budget. Performance against this budget should be subject to greater oversight at an appropriate governance forum.
<i>N. Integrating ITFs into Wider Education and Medical Recruitment</i>	The Trust has commenced making changes with integrating the Programme into the Trust's Medical Academy. There are further opportunities to integrate the Programme.
<i>O. Recruitment of ITF Candidates</i>	The Trust should align the recruitment of ITFs with wider Trust medical recruitment policies and processes.
<i>P. Programme Governance</i>	The Trust has taken recent steps to strengthen the governance and oversight of the Programme, however we have identified gaps in governance since the Programme's expansion in 2017.
<i>Q. ITF Exception Reporting</i>	ITFs do not currently benefit from access to exception reporting as a means of raising concerns.

02

Findings and Management Actions

Findings and Management Actions

We consider it unlikely that HMRC will be willing to accept the current set-up of the Programme from an employment tax perspective. The Trust should seek tax advice with regards to this risk

A. Tax Risk

We do not consider HMRC will be willing to accept the Programme's current arrangements from an employment tax perspective, meaning we consider it likely that there exists an obligation with regards to employment tax and national insurance contributions (currently no employment tax is paid as part of the Programme). The Trust should seek tax advice with regards to how to respond to this risk and who is responsible for these obligations.

Our view is based upon an understanding of how the Programme operates in practice, where key considerations include:

- the level of service provided by ITFs to the Trust, which is comparable to other junior doctors / International Medical Graduates on placement via the Trust's Locally Employed Doctor (LED) programme, where tax obligations exist.
- the *Contracts of Training and Apprenticeship* section of HMRC's *Employment Status Manual* states that if the primary or secondary purpose after training is to provide a service which is more than of a minor nature, tax is liable.
- the Trust pays an agreed monthly contribution for each specific ITF, where the amount is not dissimilar to what a UK equivalent doctor would earn each month after tax.
- Following a four-week induction, ITFs are not supernumerary and undertake activities unsupervised, including on-call and out-of-hour responsibilities.

Per the website for the Medical Training Initiative:

HMRC states that:

MTI doctors have duties, (including any formal training within those duties) undertaken within their contract of employment that are the same as any other medical professional under a similar contract of employment.

Any training undertaken would be part of the normal development an employee would undertake while performing the duties of the job, gaining valuable experience and enhancing their technical expertise in their role.

For this reason, any remuneration paid in connection with the employment should be taxed in accordance with the UK's domestic rules.

It is not possible for MTI doctors to claim benefits of the Student Article of a relevant tax treaty.

Risk:

Upon inspection by the HMRC, the HMRC will be unwilling to accept the current arrangements of the Programme, leading to financial penalty, and backdated tax due.

Management Action:

1. Seek professional advice from a tax advisor with regards to how to respond to the tax risk identified as part of this review.

Findings and Management Actions

The Trust needs to review the current arrangement for making stipend payments via a third-party company to ensure it is appropriate from a tax perspective and address the identified gaps in financial controls

B. Third-Party Company

Since 2017, the Trust has paid (as at May '25) £40.5m of stipend payments (a contribution to assist ITFs on placement in the UK), to a UK based company which manages the contributions on behalf of the majority of overseas colleges. See annual breakdown below. We have reviewed instructions made with two colleges which identified this company as the relevant third-party. However, we made the following observations concerning this arrangement:

- The Trust does not currently have a contract or agreement in place with the third-party, which is based at a residential address in Birmingham;
- As the stipend payments are seen as 'voluntary contributions' the Trust does not receive a monthly invoice or correspondence specifying amounts expected, for instance in line with the contemporaneous volume of ITFs, therefore it is not possible to undertake, for example, a three-way match prior to payment;
- The third-party Company we understand was initially used as the Trust was unable to make overseas payments directly themselves (prior to 2017 the Pakistan High Commission London was used), although there was some uncertainty whether the third-party pays stipend payments directly to ITFs, or whether these are transferred overseas.

2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
£615,782	£2,378,004	£3,264,773	£3,420,510	£5,223,055	£6,568,453	£9,068,415	£9,910,890	£40,449,882

Risk:

Per Finding A, the current arrangement for making stipend payments, may present a tax risk.

Gaps in financial controls mean the Trust can not be fully assured over stipend payments.

Management Action:

2. The Trust should consider pausing making stipend payments via a third-party company, until it can be fully assured over the current arrangement and the financial controls in place, including whether the current arrangement is appropriate from a tax perspective. More broadly, the Trust needs to strengthen financial controls in place by formalising the arrangement in place between the Trust and third-party, controls to reconcile the contemporaneous volume of ITFs on placement at the Trust, and per **Finding C**, the assurances the Trust receives over stipend payments.

Findings and Management Actions

The Trust should receive assurance over the financial value each ITF receives to ensure compliance with visa requirements and that the Programme is operating inline with MTI and NHS Employers guidelines

C. Financial Payments To ITFs

The Trust does not know, nor receive any assurance, over how much each ITF receives financially from the overseas college, whilst on placement at the Trust.

The Programme operates through the Medical Training Initiative, where the Trust has been delegated by the General Medical Council to be a sponsoring organisation. This means the Trust provides each ITF directly with a Certificate of Sponsorship, supporting their Tier 5 visa application. Part of the visa requirement is that the ITFs receive at least minimum wage. Subsequently and for example, the MoU with CPSP sets out an obligation on CPSP to ensure that each ITF receives more than £30,000 per annum.

Currently the Trust makes a monthly 'stipend' payment to overseas organisations of £3,960 for each ITF (£47,520 per annum), regardless of the level of seniority of ITFs (junior or senior) and the amount of on-call or out-of-hours shifts undertaken.

The Trust does not know how much of the £47,520 is received by each ITF. There is no written agreement setting out the current value of the stipend amount, and what the obligation is for the overseas organisation to pass on to each ITF, provided ITFs receive more than £30,000 per annum.

NHS Employers guidelines states that "*In cases where the doctor is essentially performing the same duties as a UK training position but under MTI then it is sensible, and pragmatic, to offer pay and terms and conditions in line with these staff*".

Through our interviews, including with clinical tutors, we were not made aware of any complaints being made by ITFs with regards to the amount of stipend payment received. We have not spoken with any ITFs as part of this review.

Risk:

The Trust does not receive any assurance over the financial payments made to ITFs to ensure compliance with visa requirements.

Management Action:

- As part of its responsibility as a visa sponsoring organisation, the Trust should ensure that it receives assurance over the financial payments received by ITFs on placement at the Trust.

Findings and Management Actions

The Trust should reassess the employment status of ITFs, and whether the Training and Education Agreement in place between the Trust and each ITF sufficiently sets out entitled employment rights

D. Reassessing the Employment Status and Employment Rights for ITFs

The Training and Education Agreement in place between ITFs and the Trust, in our view, is based upon incorrect assumptions with regards to the operation of the Programme in practice and does not adequately set out the entitled employment rights for ITFs.

ITFs agree to a five-page Training and Education Agreement with the Trust before commencing their placement. The agreement was drawn up based upon several assumptions, including that:

- ITFs are students
- All work undertaken by ITFs is supervised
- The “voluntary contribution” the Trust makes to overseas colleges is not to cover the stipends paid to ITFs

There had been no internal consultation with the Trust’s legal or HR teams with regards to the appropriateness of the most recent version of the agreement, instead advice was sought externally.

The agreement does not reference several UK employment rights, including:

- Right to a minimum wage and protection from unlawful deductions
- To work no more than 48 hours on average per week or opt out of this
- Sick pay and other types of leave (beyond annual and study leave)

A 2018 government employment status consultation document states:

Employment status is not just a matter of what a written contract states; it is determined by the reality of the agreement between employer and individual taking account of all the circumstances, of which a written contract is one aspect. An individual or employer cannot create a false employment status through a fictitious contract which does not reflect the true reality of the agreement between them.

Risk:

The Trust could be in breach of employment laws based upon the Training and Education agreement in place between the Trust and ITFs

Management Action:

4. Reassess the employment status of ITFs and whether it is correct to classify ITFs as students. Subsequently, review the agreement between ITFs and the Trust to ensure that this appropriately sets out the employment rights ITFs are entitled to.

Findings and Management Actions

The Trust should ensure that all ITFs have DBS checks before commencing clinical work per Trust policy

E. DBS Checks

Per the latest version of the Training and Education Agreement, the Trust references the importance of satisfying requirements of the NHS Check Standards before ITFs commence their placement at the Trust, which includes a criminal record check via the Disclosure and Barring Service (DBS). Whilst we understand that the Trust undertakes DBS checks before ITFs undertake locum work, DBS checks are not routinely undertaken as part of pre-employment checks, instead reliance is placed upon a Certificate of Good Standing.

Risk:

The Trust undertakes incomplete pre-employment checks before ITFs commence their placement, meaning it is unaware of any potential criminal record.

Management Action:

5. DBS checks should be undertaken for all ITFs.

The Trust should ensure appropriate locum contracts are in place for ITFs undertaking such work

F. Locum Work Contract

The Trust does not routinely issue ITFs with appropriate contracts before undertaking paid Locum work.

Per the latest version of the Training and Education Agreement, it is set out that a contract between the Trust and ITF will need to be established before ITFs can undertake locum work. Through our interviews, we established that this does not routinely take place.

Risk:

ITFs are undertaking locum work at the Trust without appropriate contractual agreements in place between the Trust and ITFs, meaning the Trust will be in breach of employment laws and could be exposed in the case of any clinical negligence.

Management Action:

6. Ensure appropriate contracts are in place between the Trust and ITFs undertaking locum work.

Findings and Management Actions

With regards to medical indemnity, the Trust should ensure that ITFs have in place appropriate insurance and/or are covered by the Trust's insurance

G. Medical Indemnity

It is not clear whether the current Training and Education Agreement in place between the Trust and ITFs means that ITFs on placement at the Trust are covered by the NHS indemnity scheme against claims of medical negligence.

As reported to the People and Culture Committee in 2023, the Trust considered the agreement in place between ITFs and Trust to be an honorary contract which provided indemnity cover. Since then, the agreement was revised in 2024, and pared back to a Training and Education Agreement, which per **Finding D**, we do not consider to meet the requirements of an honorary contract.

Per template contracts for both an honorary contract and doctor in training provided by NHS Employers, it is typical for such agreements to set out clearly whether the agreement ensures doctors are covered by NHS indemnity scheme and Trust insurance. There is no such reference within the current Training and Education Agreement.

Risk:

The Trust is unsure whether ITFs are covered by the NHS indemnity scheme where claims of medical negligence are made.

Management Action:

7. The current Training and Education Agreement should be reviewed by the Trust's legal team to establish whether ITFs are covered by the NHS indemnity scheme, and if not, what additional insurance ITFs require.

The Trust should seek advice that it is not in breach of visa requirements for ITFs

H. Tier 5 - Government Authorised Exchange Visa (Temporary Work)

The Trust should seek advice confirming that it is not in breach of visa requirements for ITFs.

With regards to Tier 5 - Government Authorised Exchange Visa (Temporary Work), the government website, sets out:

Your employer must make sure your job pays at least the minimum wage and follows the UK rules for how many hours a week you work. If your employer does not do this, your application will be refused.

Currently, the Trust's Training and Education Agreement sets out that it is not an employer. The training agreement between the Trust and ITFs between 2017 to 2024 requested that ITFs opt out of the working time directive, the latest, 2024, agreement is silent as to whether ITFs are expected to work no more than 48 hours on average per week or not.

Risk:

The Trust is in breach of its visa requirements which may impact its ability to sponsor similar visas in the future.

Management Action:

8. Seek advice that the Trust is not in breach of visa requirements. This should confirm the Trust's role as an employer, how the Trust ensures ITFs are receiving minimum wage, and that hours worked by ITFs are inline with visa requirements.

Findings and Management Actions

Our testing showed that a large proportion of ITFs, on placement at the Trust, do not return to their home country following their placement.

I. Learn and Return

A high proportion of ITFs are remaining in the UK under a Skilled Worker Visa, following the completion of their placement at the Trust, which contravenes the purpose of the Medical Training Initiative scheme in supporting the healthcare systems in lower income counties.

One of primary purposes of the Medical Training Initiative is “*to improve the quality of healthcare in lower-income countries by sharing knowledge, experience and best practice that benefits*”. This is based upon International Medical Graduate Doctors receiving two years of training and development in the NHS and returning to their home country. However, immigration rules in the UK allow applications for a Tier 2, Skilled Worker Visa from within the UK.

We reviewed a template agreement between CPSP and ITFs (Deed of Undertakings) which states that:

- *I [the ITF] agree that, at the end of the placement (for any reason whatsoever), I will return to Pakistan and will not seek to remain in the UK beyond the agreed period nor to seek leave to remain in the UK beyond the agreed period.*
- *If I fail to comply with above paragraphs, I understand that the entirety of the scholarship (being £ xxxx) shall be re-paid to the CPSP forthwith and shall be recoverable as a debt.*

The MoU between the Trust and CPSP specifies that ITFs must sign an affidavit affirming that they will “*not seek to remain in the UK beyond the agreed period*.” This affidavit should be shared with the Trust (which it currently is not).

We tested a sample of 80 graduate doctors who completed their two-year training course at the Trust within the past twelve months. Our testing showed that 68% of fellows who completed their contract are registered with the GMC and aligned to a UK designated body that is not UHB, 28% are registered but not currently aligned with a designated body, and 5% are not licensed to practise.

Number of Graduate Doctors Tested	Registered with a Designated Body	Registered without a Designated Body	Not licensed to practice
80	68%	28%	5%

Risk:

The Trust is not supporting the purpose of the Medical Training Initiative scheme in supporting the healthcare systems in ITF's home countries.

Management Action:

9. Use our analysis to initiate a discussion with the overseas organisations to understand the agreements in place between them and ITFs and how compliance with these agreements is monitored and action taken where necessary.

Findings and Management Actions

The Trust should finalise and publish a Staff Travel Policy, to set out overseas travel requirements for the International Team

J. Overseas travel

Whilst we do not consider it unreasonable for the Trust's International Team to make overseas trips, it is important that this is undertaken in line with Trust policy, and the spirit of achieving value for money, along with the any agreements in place with overseas partners. We made the following observations:

- The CPSP MoU states that "*CPSP shall bear the cost of air travel of invited UHB consultant staff or any other individuals that both parties shall deem necessary for exchange visit programmes*". Our review shows all flights to Pakistan as part of ITF have been funded by the Trust.
- The International Team have utilised a regional travel agent to organise overseas trips, however prior to 2024, there was no agreement or contract in place between the Trust and the travel agent. This has meant, for example, the Trust has had unfavourable cancellation terms, and incurred costs when trips have been cancelled.
- The Trust's does not have in place a Staff Travel / Expenses Policy, although as per the current version of the Conflicts of Interest Policy, one is in the process of being drafted.

We reviewed the list of overseas travel expenses incurred by the Trust's International Programme Office since 2017. This primarily includes flights with additional handling, transfers and visa costs; however this also includes hotels (see below). Our testing showed that the Trust has spent a total of £233k on travel to the five areas outlined in the table below, with £123k for Pakistan travel. The highest single transaction was £19,925 in May 2024, also for a trip to Pakistan. £9k of costs associated to Pakistan travel appear to be in relation to hotel stays.

Country	Sum of Expenses	Number of Entries	Percentage of Total Costs
Pakistan	£122,564.50	17	52.68%
China	£55,657	11	23.92%
Ethiopia	£27,000	2	11.60%
Jamaica	£12,402	2	5.33%
UK	£9,426	3	4.05%
Miscellaneous	£1,655	3	0.71%
Total	£232,669.50	38	100%

Risk:

Without a clear Staff Travel Policy, which covers the business of the International Team, the Trust may not achieve value for money.

Management Action:

10. Put in place a Staff Travel Policy, which appropriately covers the business of the International Team.

Findings and Management Actions

There should be greater clarity across the agreements in place between the Trust and overseas organisations with regards to overseas recruitment events, including how these trips are funded. It would be prudent for the Trust to manage all aspects of overseas bookings and recharge any appropriate costs as part of overarching agreements

K. Hospitality and Declarations of interest

As part of the selection process for ITFs, notably with the CPSP, it is common for Trust staff to travel to Pakistan to interview shortlisted candidates, along with wider trips, for example to attend educational conferences. We were informed how these trips can last up to two weeks in length, during which time the CPSP will provide the Trust staff with accommodation, meals and drinks, internal transfers along with other expenses to the extent that Trust staff incur no out-of-pocket expenses themselves during the trips.

The Trust's current Conflicts of Interest Policy, which covers areas such as sponsorship and hospitality, sets out the importance of making such declarations, and obtaining approvals based upon the financial value.

The Trust publishes its "Conflict of interest public register of decision making staff". There are no trips to Pakistan disclosed within the register for the past five years, whether for recruitment of ITFs or for other reasons, such as educational conferences.

Risk:

Hospitality provided in relation to the ITF programme are not declared online with the Trust's Conflicts of Interest Policy (including Sponsorships, Gifts and Hospitality) Policy

Management Action:

11. Review how trips to overseas organisations as part of the ITF programme take place. The funding for these trips should be set out in agreements in place between the Trust and overseas organisations. Trips should be booked by the Trust, and, where appropriate, recharged back to overseas colleges inline with agreements. Any hospitality or gifts provided to Trust staff should be disclosed inline with Trust's Conflicts of Interest Policy (including Sponsorships, Gifts and Hospitality) Policy.

Findings and Management Actions

The Trust should seek advice that there are no procurement implications associated with the agreement in place with CPSP

L. Procurement Implications

The Trust had in place a legacy agreement (2011) with the Army Medical Corps Pakistan to train a small number of doctors. This relationship led to the Trust being approached by CPSP to expand the ITF Programme. No further process was undertaken by the Trust (from a procurement perspective), albeit legal advice was received.

Given the findings within this review, and dependent upon how the Trust intends to operate the Programme going forward, then in our view the Trust should seek advice to reassess and provide assurance as to whether or not there are any procurement implications associated with the current agreements in place with overseas organisations, notably with the CPSP.

This is based upon:

- Current value of the agreement with CPSP, which is c.£9.5m per annum.
- The Trust is receiving a service in return for monthly payments made.
- The payments made by the Trust each month to CPSP directly relate to each specific ITF worked during that period
- The service the Trust receives from ITFs during their two-year placement is more than minor.

Risk:

The agreement between the Trust and CPSP is in breach of public procurement policy

Management Action:

12. The Trust should reassess whether or not there are any procurement implications associated with the current agreements in place with overseas organisations, notably with CPSP.

Findings and Management Actions

The Trust should consider whether a more sophisticated methodology should be applied for apportioning costs against the Programme when developing the Programme's annual budget. Performance against this budget should be subject to greater oversight at an appropriate governance forum.

M. Budget

The ITF Programme operates on the basis that it is self-funded, primarily through recharges to specialties for their allocated ITFs. There are a number of costs associated with delivering the ITF programme, which are either not accounted for with the programme's budget, nor fully recharged internally.

These costs include:

- 'Infrastructure' or overarching costs associated with the core International Office Team. These are accounted for through a central cost centre for both the ITF and IPGMS programmes. As such, it is not possible to identify how these infrastructure costs are apportioned with regards to the ITF Programme.
- The PAs allocated to the Programme for clinical tutors
- Access to the ePortfolio programme (£2k per ITF)
- Overseas travels, with an annual allowance of £60k

Currently a fixed overhead is charged to each specialty where ITFs are allocated, in addition to the stipend payment. Although variable, this overhead is around 6.5% of the stipend value. Specifically, as per the Trust's calculations in October 2024, for a junior ITF, the overhead charge was 5.7% of the annual stipend amount (£2,700), and for a senior ITF it was 6.9% (£3,300). Note that the annual stipend amount was £47,520 for both junior and senior ITFs.

From our interviews we understand that budget monitoring occurred as part of a monthly finance meeting. We have not reviewed evidence documentation supporting this as part of our work. We were unable to evidence regular financial reporting at an appropriate governance forum,

Risk:

There is inadequate oversight of financial performance against budget.

Management Action:

13. Review the methodology for how central costs are apportioned to the Programme; ensure that the overhead charged to specialties is reviewed and agreed on an annual basis at an appropriate governance forum; ensure that there is regular financial reporting against budget at an appropriate governance forum for the Programme.

Findings and Management Actions

The Trust has commenced making changes with integrating the Programme into the Trust's Medical Academy. There are further opportunities to integrate the Programme

N. Integrating ITFs into wider education and medical recruitment

At time of review, governance with regards to the ITF programme had been reviewed, and it now reports into the CMO's Medical Academy Steering Group (MASG). However, prior to the establishment of the MASG, the programme operated in relative isolation to other key Trust functions. Overall, we have noted that:

- The ITF programme is not integrated into broader medical recruitment. With regards to workforce management, medical recruitment worked with the International Office team to allocate rotas to ITF
- Whereas ITF functions as a training programme, there is limited involvement from Trust's Education team, in the form of providing core clinical skills training as part of induction, and set-up of e-Portfolios.
- There is minimal liaison with corporate functions such as HR and legal. Concerning the latter, we note, for instance, that the Trust's Employment Law team was not involved in reviewing the 2024 Teaching Agreement in place with the ITFs.

Risk:

The ITF programme operates in isolation from key Trust departments, leading to a lack of transparency and accountability.

Management Action:

14. The Trust should further integrate / align the Programme's operations with the appropriate Trust's corporate functions. This should include consideration of areas such as medical recruitment, education, HR, and legal.

Findings and Management Actions

The Trust should align the recruitment of ITFs with wider Trust medical recruitment policies and processes

O. Recruitment of ITFs candidates

Per the ITF paper presented to People and Culture Committee in 2023:

The overseas organisations identify and nominate trainees who would benefit from the training, education and experience offered by UHB. Applicants nominated by these overseas organisations are then shortlisted by UHB international clinical teams and interviewed. Those who are successful are offered a two-year training placement with specific training aligned to their overseas educational curriculum and/or identified learning needs as agreed with the overseas partner.

We made the following observations with regards to recruitment:

- Currently the ITF programme has little involvement from the Trust's medical recruitment team
- We were informed how involvement from specialities on interview panels was mixed.
- The Trust has received complaints from applicants in Pakistan with regards to the cost of applications, and short-listed candidates being based on "personal references and favouritism"
- Other Trusts managed the application process end to end.

Risk:

There is a lack transparency and accountability in the process undertaken by CPSP in short listing candidates for Trust interview.

Management Action:

15. The Trust should align the recruitment of ITFs with wider Trust medical recruitment policies and processes. The Trust should review all applicants.

Findings and Management Actions

The Trust has taken recent steps to strengthen the governance and oversight of the Programme, however we have identified gaps in governance since the Programme's expansion in 2017

P. Programme Governance

While there were reasonable governance arrangements to manage the Programme at an operational level, with a good level of oversight from the Executive Lead, we consider there are learnings with regards to the level of visibility the Programme had more widely across the Trust.

- Whilst the Trust had in place an ITF Steering Group, reporting upwards was on an exception basis, typically through the Chief Operating Officer's Group, Chief Executive's Advisory Group and Medical Workforce Group, albeit from our interviews, this was infrequent.
- Beyond a report to People and Culture Committee in 2023, there has been limited visibility of the scheme for Non-Executive Directors.
- We were unable to evidence review of respective MoUs

More recently, since the Programme has moved into the Medical Academy, there has been greater oversight by the Medical Academy Steering Group.

Risk:

Trust does not take learnings with regards to identified gaps in governance and oversight

Management Action:

16. As part of reappraising the Programme going forwards, establish how there will be greater oversight and governance.

Findings and Management Actions

ITFs do not currently benefit from access to exception reporting as a means of raising concerns

Q. ITF Exception Reporting

We are aware that international trainees on other programmes have, since August 2024, had the ability to raise 'exception reports,' identifying relevant issues such as overtime or training, via the Allocate system. Whereas we understand there were discussions around extending exception reporting through Allocate to ITFs, this has not been actioned at time of writing.

While ITFs can flag issues via their monthly meeting structure, a lack of access to Allocate exception reporting represents a limitation in the routes available to ITFs in raising concerns, when compared to other residents.

We are also aware of anecdotal concerns that rota allocation between ITFs and other trainees may be inequitable, with ITFs required to work 37 on-call shifts per quarter, compared to nine on-call shifts for other trainees.

Risk:

ITFs do not benefit from the same available resources to raise concerns as other trainees.

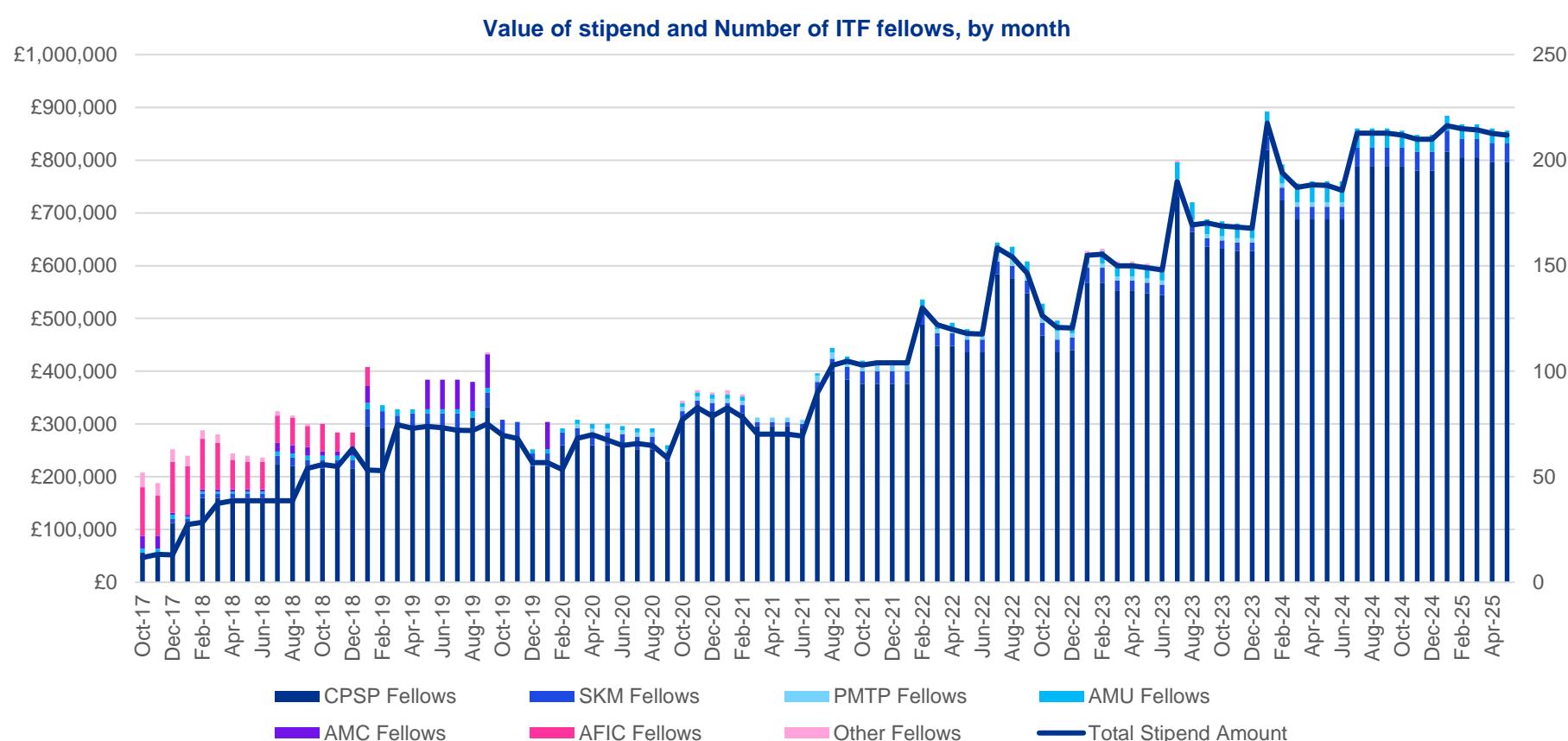
Management Action:

17. Access to Allocate exception reporting should be extended to ITFs, or comparable arrangements should be made to ensure that fellows have the ability to raise concerns which is commensurate with trainees on other programmes.

Appendices

Data analysis

We have performed data analytical routines on the volume of ITF fellows across the Trust's various partnerships, and on the value of the stipend paid. The below graph shows the value of the stipend and total number of ITF fellows, by month, from October 2017 onwards, alongside our broader commentary.



KPMG Commentary:

Volume of ITFs

- The overall number ITFs has increased over the years. At October 2017, the first month in our data set, there were a total of 52 ITFs. At May 2025, the final month in our data set, there were 214 ITFs recorded.
- The proportion of ITFs associated with CPSP has also increased, from 67% in May 2018, to 93% of the total number of trainees in May 2025.

Value of stipend

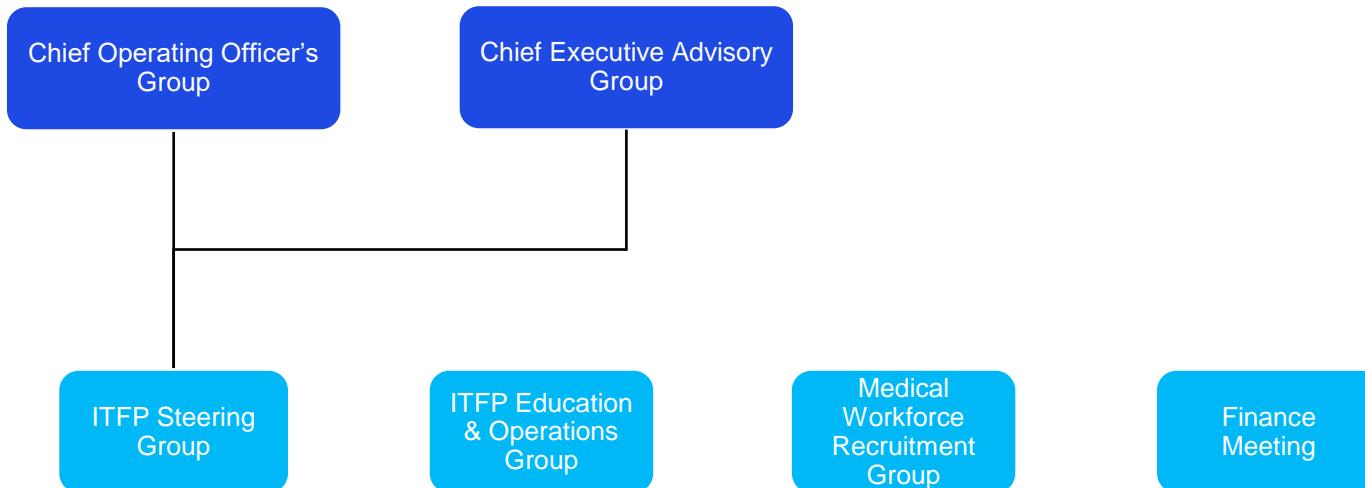
- The total value of the stipend has broadly followed the trend in increase in volume of ITFs. The lowest monthly stipend amount occurred in October 2017 (£47k).
- The highest monthly stipend amount was recorded in January 2024 (£870k).
- For the year to 31 March 2025, the stipend amount was £9.9m; compared to £8.3m for the previous year.

Governance Structure – Prior to introduction of site based operating model

Below and over the next page we have summarised the previous and current governance structure at the Trust.

The diagram below details our understand of the main reporting and governance mechanisms for the ITF Programme, prior to the Trust's implementation of its new site-based operating model, alongside our broader commentary.

For further details see also **Finding P**.

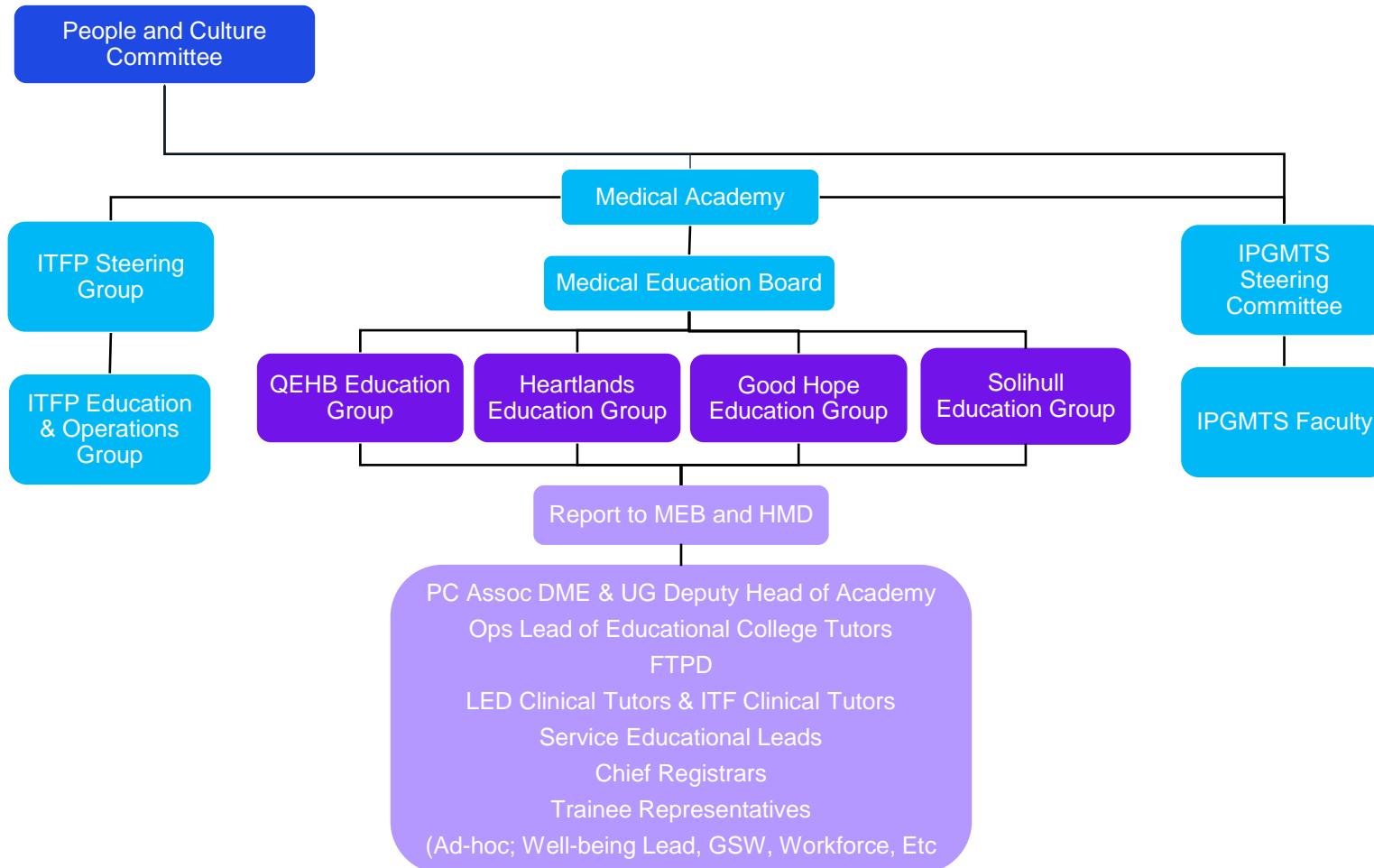


KPMG Commentary:

- The ITP Education and Operations Group is an operational group which included the ITF education and administration teams;
- The ITP Steering Group, includes international team leadership, and provides updates with regards to XXX;
- Reporting was performed by exception in COOG and CEAG, although we are aware that was infrequent;
- The international team also attended the Medical Workforce Recruitment Group, where establishment gaps were discussed. To note that this group does not form part of the formal ITF programme governance;
- We understand that a monthly finance meeting operated as part of which budget monitoring activity was performed.
- Pre-2024 there was no direct reporting line through to People and Culture Committee, although a report on the ITF programme was taken to its meeting in November 2023.

Governance Structure – Present

Below we have represented our understanding of current governance and reporting arrangement with regards to the ITF Programme.



KPMG Commentary:

- The Trust's Medical Academy Steering Group was established in 2024. The ITFP Steering Group reporting directly into it;
- The MASG reports upwards into the Board level People and Culture Committee;
- The MASG is chaired by the CMO; and
- The ITFP Steering Group sits outside of the Medical Education Board, which receives updates from the Trust's four site Education Groups;

Detailed Findings: Programme Governance

Below and over the next pages, we have detailed the questions which formed the scope of our review, alongside our commentary, across the six domains of: Programme Governance, Arrangements with Overseas Organisations, ITF Contracts, Financial Flows, Interview and Selection, and Travel and Expenses.

Domain	Questions	KPMG Commentary
Programme Governance	What are (and what were) the internal reporting processes for the Programme?	Prior to 2024, the main governance and forum in place was via the ITFP Steering Group, with escalation by exception into COOG and CEAG. Beyond a report to People and Culture Committee in 2023, there was limited visibility of the scheme for Non-Executive Directors. From June 2024, the ITFP Steering Group reports into the newly established Medical Academy Steering Group, which is chaired by the CMO, and which reports upwards into the People and Culture Committee. See Finding P for more details.
	Is there now (and was there previously) appropriate financial governance in place for the Programme?	The ITF programme has an allocated finance manager, which we understand performs key activities such as recharges of costs related to the ITF programme back to relevant specialties, and performs checks on the monthly stipend payments. We have noted that the budget for the ITF programme does not appear to include all associated costs. We understand that a monthly finance meeting is in place to perform budget monitoring. We have not reviewed documentation supporting this as part of our work. We could not evidence regular budget monitoring at any governance forum. See Finding M .
	Are the People Directorate (and were they) appropriately appraised of any legal and HR issues involving ITFs/the Programme? How are these documented/reported?	At time of review, the ITF programme governance is via the Medical Academy Steering Group (MASG). Previously, the programme operated in relative isolation to other key functions. This included minimal liaison with the HR corporate function, including with regards to reviewing the appropriateness of the Trust's Training and Education Agreement. See Finding N .
	Have all Trust employees involved in the Programme completed declarations of interest where required to do so.	We noted it was common for Trust staff to travel to Pakistan to interview shortlisted candidates (notably with regards to CPSP), along with wider trips, for example to attend educational conferences. The Trust's Conflicts of Interest Policy outlines the need for decision-making staff to complete a declaration of interest and publishes its "Conflict of Interest Public Register of Decision-Making Staff" online. Within the past five years, no trips to Pakistan were disclosed within the register for any reason. See Finding K for more details.

Detailed Findings: Arrangements with Overseas Partner Organisations

Domain	Questions	KPMG Commentary
Arrangements with Overseas Partner Organisations	What was the decision-making process for determining which overseas organisations the Trust would work with and how were these organisations approached?	The Trust had in place a legacy agreement with the Army Medical Corps Pakistan (dating to 2011), to train a small number of doctors. This relationship led to the Trust being approached by CPSP to expand the programme. A paper outlining the background and rationale for programme expansion was taken for approval to CEAG in July 2017. No further process was undertaken by the Trust (from a procurement perspective), albeit legal advice was received. See Finding L for more details.
	Were all the Memorandums of Understandings ("MOUs") with overseas organisations reviewed by the Trust (including its legal team)?	There are MOUs in place between the Trust and the five overseas organisations, which have each been reviewed and signed by the Trust and overseas organisations. The MOU between the Trust and CPSP was developed in 2017, with the Trust obtaining external legal and tax advice. Whereas we understand the Trust's legal team reviewed the MoU, the most recent review was external legal advice obtained in 2024, when changes were made to emphasise the role of the Trust as training provider. See Finding A .
	How were the MOUs with the overseas organisations ratified through the Trust's internal governance processes (to include HR and Medical education)?	As previously noted, prior to 2024, the programme operated in relative isolation to other key Trust functions, including HR and Medical Education. See Finding N .
	How often were the MOUs reviewed and by whom?	The Trust received external legal and tax advice in 2017 with regards to the MoU with CPSP, when standing up this partnership. Further external legal advice was sought in 2024, with regards to the content of the MoU and the Trust's Training Agreement. We have suggested that the MoUs should have been subject to more frequent review. See Finding P .
	Are the MOUs broadly in line with agreements/MOUs agreed by other NHS Trusts participating in the MTI?	We were unable to obtain agreements in place at other Trusts. We do not consider HMRC would be willing to accept the ITF's Programme current arrangements from an employment tax perspective. Our view is based upon an understanding of how the programme operates in practice. See Finding A .

Detailed Findings: ITF Contracts

Domain	Questions	KPMG Commentary
ITF Contracts	What contracts are held by the ITFs?	<p>We have reviewed the following contracts issued to ITFs:</p> <ul style="list-style-type: none"> — A Training and Education Agreement (reviewed 2024) with the Trust detailing the terms on which the ITFs are sponsored, for sign-off by ITFs prior to commencing their placement. — A template Deed of Undertakings agreement between the ITFs and CPSP. This specifies that the ITFs must return to Pakistan and not seek to remain in the UK for 12 months following completion of the programme, with non-compliance resulting in repayment of the scholarship amount. It is outlined in the MOU between the Trust and CPSP that ITFs must sign an affidavit affirming this. <p>See Findings D and I for more details.</p>
	Has the Trust sought appropriate assurance on the terms and conditions between the ITFs and the overseas organisations?	<p>As part of our work we have not reviewed contracts held by the ITFs with overseas organisations, although we have reviewed a template Deed of Understanding (see above). The Trust does not know, nor receive any assurance over how much each ITF receives financially from the overseas college whilst on placement at the Trust. There is currently no written agreement setting out the current value of the stipend amount, and what the obligation is for the overseas organisation to pass on to each ITF, provided ITFs receive more than £30,000 (to satisfy visa requirements). See Finding C.</p>
	Has the Trust Board been appropriately appraised of the terms on which the ITFs are employed/sponsored?	<p>From our review, reporting to the Trust Board with regards to the ITF programme occurred infrequently. An update report, detailing the scope of the ITF Programme, was taken to People and Culture Committee in November 2023.</p>
	How was the decision made regarding the placement terms of the ITFs? Did this decision receive approval by the Trust's Board?	<p>The Chief Executive's Advisory Group approved the expansion of the ITF Programme in 2017. As noted previously, the MoU with CPSP was subject to external legal advice in 2017 and 2024. The Trust's Training Agreement with ITFs was also reviewed on the latter occasion.</p>

Detailed Findings: ITF Contracts (cont)

Domain	Questions	KPMG Commentary
ITF Contracts	Are the contracts held by the ITFs comparable to those held by UK Residents?	<p>The five-page Training and Education Agreement issued by the Trust is drafted on the basis of several assumptions, including that ITFs are students. The most recent version of the Agreement did not undergo internal consultation with the Trust's legal or HR teams and does not reference several UK employment rights applicable to UK Residents. See Finding D. The Trust should also seek advice that it is not in breach of visa requirements for ITFs; Tier 5 visas are issued on the basis that recipients are employed. See Finding H.</p> <p>In addition, per the latest version of the Training and Education Agreement, the Trust references the importance of satisfying requirements of the NHS Check Standards before ITFs commence their placement at the Trust, which includes a criminal record check via the Disclosure and Barring Service (DBS). However, we understand DBS checks are not routinely undertaken as part of pre-employment checks, instead reliance is placed on a Certificate of Good Standing. See Finding E.</p> <p>We also understand that the Trust does not routinely issue ITFs with appropriate contracts before undertaking paid locum work. See Finding F.</p> <p>Finally, it is not clear whether the current Training and Education Agreement means that ITFs are covered by the NHS indemnity scheme against claims of medical negligence. See Finding G.</p>
	What assurance has been sought regarding the renumeration received by the ITFs and how has the Trust Board been informed of this?	<p>The Trust pays a voluntary annual stipend payment of £47,520 to each ITF. However, whilst there is an obligation to provide ITFs with remuneration at least above the minimum wage, the Trust does not receive assurance regarding the amounts paid to ITFs by the overseas colleges. See Finding D for more details.</p>
	Have the ITFs been appropriately advised of any potential tax implications of the stipend payment?	<p>We have recommended that the Trust should seek tax advice with regards to how to respond to the tax risk, and who is responsible for these obligations. See Finding A.</p>
	Are ITFs given the same opportunity to raise concerns regarding clinical/patient safety/wellbeing issues as all other Residents?	<p>While ITFs can flag issues and concerns via their monthly meeting structure, they do not currently have access to Allocate exception reporting. We note access to this system was extended to other international trainees in August 2024. See Finding Q.</p>

Detailed Findings: Financial Flows

Domain	Questions	KPMG Commentary
Financial Flows	What are the financial flows between the Trust and the overseas organisations (and vice versa)? Is there appropriate contractual documentation in place to govern the financial flows?	<p>We did not identify any direct financial flows between the Trust and the overseas colleges. The arrangements between the Trust and the overseas organisations are governed by the detail set out in the MoU.</p> <p>The MoU with CPSP, as updated in 2024, does not specify the current value of the stipend. The Trust does not currently receive any assurances over how much, of the £47,520 annual stipend, each ITF receives financially from the overseas college whilst on placement at the Trust. See Finding C.</p>
	What are the financial flows between the Trust and Trainee Scholars Limited (and vice versa)? Is there appropriate contractual documentation in place to govern the financial flows?	<p>Stipend payments are made by the Trust and managed by a Birmingham-based company on behalf of the overseas colleges. The CPSP MOU sets out that '<i>UHB will arrange for the Stipend to be paid into the Scholarship Fund account maintained by CPSP with a UK bank</i>'. The Trust does not currently have a contract / agreement in place with this third party.</p> <p>It is our understanding that the company was initially used as the Trust was unable to make these overseas payments directly, although it is unclear whether stipend payments are made directly to ITFs or transferred overseas. As the payments are 'voluntary contributions', the Trust also receives no assurance regarding the amounts received by ITFs. See Finding B.</p>
	How did the overseas organisations identify Trainee Scholars Limited as an appropriate company to support in the transacting of the stipend payments?	<p>We have reviewed instructions made by two colleges which identified the relevant company as the third party. The first, AMU college, confirmed the company was managing their stipends in July 2017. CPSP confirmed the same company will manage their stipend, making reference to AMU as also employing the third party, in September 2017. See Finding B.</p>
	Was it appropriate that the Trust allow the overseas organisations to elect which company the Trust should use to pay the stipend to?	<p>We have noted that the Trust does not currently have a contract or agreement in place with the third party, and has limited assurance over the payments made being received and passed on in full. See Finding B.</p>
	Should the Trust have paid any stipends?	<p>We have recommended the Trust ceases making payment via the third party company until it can be fully assured over the current arrangements and financial controls in place. See Finding B.</p>

Detailed Findings: Financial Flows (cont)

Domain	Questions	KPMG Commentary
Financial Flows	Did the Trust seek legal advice regarding the payment of stipends? Was the Trust Board apprised of the advice and potential risks?	The Trust initially obtained external legal advice in 2017 and 2024. Both advised that the payment of the stipend would not constitute a payment but service and that, subject to conditions, the fellows would not be regarded as employees of the Trust. See Finding A for more details.
	Was the use of Trainee and Scholars Limited a means by which to avoid liability for tax and national insurance?	We do not consider HMRC will be willing to accept the Programme's current arrangements from an employment tax perspective, meaning we consider it likely that there exists an obligation with regards to employment tax and national insurance contributions. The Trust should seek tax advice with regards to how to respond to this risk and who is responsible for these obligations. See Finding A .
	Does any Trust employee have an interest in Trainee and Scholars Limited?	We have not identified a direct interest of a Trust employee in the third party company.
	Are there any other financial flows involving Trust employees? If so, have these been declared?	We reviewed the 'Conflict of Interest Public Register of Decision-Making Staff' published by the Trust for the past five years, and have not identified any relevant declarations. However, we are aware that Trust staff have travelled to Pakistan, separately from conducting interviews, for educational conferences, and our review has not found declarations of such trips. See Finding K .

Detailed Findings: Interview and Selection

Domain	Questions	KPMG Commentary
Interview and Selection	<p>How has the Trust assured itself that all four overseas partners undertake a fair selection process for compiling a pool of candidates to be interviewed by the Trust**? Were the Trust employees appropriately trained to undertake the interview process for ITF selection?</p> <p>(**Note series of allegations from trainee re selection process)</p>	<p>Per the ITF paper presented to People and Culture Committee in 2023, “<i>the overseas organisations identify and nominate trainees who would benefit from the training, education and experience offered by UHB. Applicants nominated by these overseas organisations are then shortlisted by UHB international clinical teams and interviewed</i>”.</p> <p>Currently, the ITF programme has little involvement from the Trust’s medical recruitment team. We were also informed how involvement from specialties on interview panels was mixed. In addition, we noted that other trusts managed the application process end to end (see also below). See Finding O.</p>
	<p>Were the interviews held in accordance with the Trust’s interview and selection criteria?</p>	<p>From interviews with key stakeholders we understand that interview criteria follow the Trust approach, meeting the minimum criteria similar to requirements for UK trainees. We did not review interview documentation as part of our work.</p>
	<p>What are the selection criteria for the ITFs?</p>	<p>The shortlisting of trainees is on the basis of nominations by overseas organisations (see above). From interviews we understand the selection process from the side of UHB is made on consideration of their core competencies across such areas as clinical knowledge, governance, audit, research experience and continuous professional development. We also understand that administrators check documentation supporting clinical background, experience, and knowledge of the English language, as these are requirements of GMC registration.</p>
	<p>Do the ITFs meet the minimum criteria when compared counterparts working in the same role? If not, were clinical areas informed of this and was appropriate support provided to the individuals and clinical areas?</p>	<p>We noted the Trust has received complaints from applicants in Pakistan with regards to the cost of applications, and short-listed candidates being based on “personal references and favouritism”. See Finding O.</p>

Detailed findings: Travel and Expenses

Domain	Questions	KPMG Commentary
Travel and Expenses	<p>Were the expenses and travel costs incurred by the Trust reasonable, in that</p> <ul style="list-style-type: none"> Was it necessary for the Trust employees to travel to Pakistan? Were the expenses and travel costs incurred reasonable? 	<p>Whilst we do not consider it unreasonable for the Trust's International Team to make overseas trips and it is important that this is undertaken in line with Trust's policy, and the spirit of achieving value for money, along with any agreements in place with overseas partners. The CPSP MoU states that "<i>CPSP shall bear the cost of air travel of invited UHB consultant staff or any other individuals that both parties shall deem necessary for exchange visit programmes</i>". Our review shows all flights to Pakistan as part of ITF have been funded by the Trust. See Finding J.</p>
	<p>How were expenses and travel costs incurred by Trust employees paid?</p>	<p>The International Team have utilised a regional travel agent to organise overseas trips, however prior to 2024, there was no agreement or contract in place between the Trust and the travel agent. This has meant, for example, the Trust has had unfavourable cancellation terms, and incurred costs when trips have been cancelled. See Finding J.</p>
	<p>How was it determined which Trust employees would travel to Pakistan?</p>	<p>As part of the selection process for ITFs, notably with the CPSP, it is common for Trust staff to travel to Pakistan to interview shortlisted candidates, along with wider trips, for example to attend educational conferences. From interviews we understand that individuals who travelled to Pakistan largely included senior members of the Internal Programme team, and, on occasion, Clinical Tutors and staff from specialties. See Finding K.</p>
	<p>Was all travel to Pakistan to interview candidates? If not, what was the reason for the travel and was it appropriately declared?</p>	<p>As per the above, we were informed, anecdotally, that travel to Pakistan also extended to attending educational conferences. The Trust publishes its "Conflict of interest public register of decision making staff". There are no trips to Pakistan disclosed within the register for the past five years, whether for recruitment of ITFs or for other reasons, such as educational conferences. See Finding K.</p>
	<p>Were all expenses, travel costs and gifts recorded and accounted for in accordance with Trust processes and policies?</p>	<p>We were informed that, during the trips, CPSP will provide the Trust staff with accommodation, meals and drinks, internal transfers along with other expenses to the extent that Trust staff incur no out-of-pocket expenses themselves during the trips. The Trust does not have in place an up-to-date Staff Travel Policy.</p>
	<p>Were any gifts given to Trust employees whilst travelling abroad?</p>	<p>We have not reviewed evidence of gifts received during these trips.</p>
	<p>Were all expenses, travel costs, gifts, appropriately declared?</p>	<p>See Finding K for more details.</p>

Staff Interviewed

Below we provide a list of individuals interviewed as part of our review.

Acronyms

Below we provide a listing of acronyms referenced in the report, and as part of our broader work.

Name	Title
AoMRC	Academy of Medical Royal Colleges
AMU	Aligarh Muslim University
CEAG	Chief Executive Advisory Group
CPSP	College of Physicians and Surgeons, Pakistan
GMC	General Medical Council
IMG	International Medical Graduates
IPGMENTS	International Postgraduate Medical Training Scheme
ITF	International Training Fellow
JPMC	Jinnah Postgraduate Medical Centre, Pakistan
KAU	King Abdulaziz University
KIMS	Kuwait Institute for Medical Specialization
LED	Locally Employed Doctors
MASG	Medical Academy Steering Group
MoU	Memorandum of Understanding
MTI	Medical Training Initiative

Name	Title
PCC	People and Culture Committee
SKM	Shaukat Khanum Memorial Cancer Hospital Pakistan
WTF	Working time directive

Terms of reference extract

Background of the internal audit

Like many large teaching hospitals across the sector, the Trust has in place an International Training Fellowship Programme, aimed at providing international doctors “*hands-on clinical training across the full range of medical specialties*”.

The Programme operates through the Medical Training Initiative, which means that suitably qualified international postgraduate medical trainees can have a maximum two-year placement at the Trust, before returning to their home country.

As part of the Programme, the Trust works with five overseas institutes, four of which are based in Pakistan, and one in India:

- College of Physicians and Surgeons, Pakistan
- The Army Medical Corps, Pakistan
- Jinnah Postgraduate Medical Centre
- Shaukat Khanum Memorial Cancer Hospital and Research Centres
- Aligarh Muslim University

It is important that such a programme has in place appropriate governance arrangements. This means there should be robust operational oversight of the Programme, including financial governance, with clear routes of escalation, along with formalised arrangements in place with partner organisations.

Following concerns raised to the Trust with regards to the Programme, it has commissioned an Independent Review, via our internal audit service. The Trust has provided a series of questions for this review to consider, which form the basis of the six objectives set-out over the page. Ultimately, the purpose of this review is to help the Trust better understand the programme’s financial flows and governance arrangements, both from a contractual and operational perspective, and whether there are any risks or gaps in current arrangements which need to be addressed. The output from this review will be shared with the Chief Medical Officer, and in turn presented to the appropriate Board Committee.

Our approach

Our work involved the following activities:

- Holding structured interviews with key individuals involved in the International Training Fellows Programme to further aid understanding across all objectives of this review, including how the Programme was initially mobilised, the arrangements in place with partner organisations, the financial flows, and the governance arrangements which have been in place to provide operational oversight.
- Undertaking a desk-top review of relevant governance documentation relating to the Programme, with a focus on how decisions have been made and recorded.
- Undertaking a desktop review of relevant policies and procedures, including expected assurance arrangements in place over the interview and selection process.
- Utilising our Contracts Insight Team, to review the formalised arrangements in place with international partner organisations, including the four institutes from Pakistan and one from India, along with the third-party company used to make payments.
- Including our Employment Tax Team to undertake a high-level assessment of the arrangements in place for international doctors with placements at the Trust via the Programme, and any further considerations required.
- Understanding financial flows relating to the Programme and controls in place to oversee any payments made by the Trust.
- Liaising with our Fraud Team to advise if there are any indications of fraudulent activity having taking place which may justify further investigation.
- Undertaking any sample testing deemed necessary, for example over relevant costs incurred (e.g. travel and expenses) or other relevant controls, such as contracts with international doctors.

Terms of reference extract (cont.)

Our objectives

The objectives for this review are set out in the table below:

Objectives	
1 – Programme Governance	We will assess the extent to which appropriate governance arrangements have been in place to oversee the Programme, including reporting and escalation processes; financial governance; and consultation and wider involvement of specialist input (such as legal and HR).
2 – Arrangements with Overseas Partner Organisations	We will seek to understand how the programme was initially mobilised, including decision making to determine partner organisations and the formal arrangements which were put in place with each overseas partners e.g. via memorandum of understanding or contract. We will assess how these arrangements were kept under review since the programme inception.
3 – ITF Contracts	We will review the arrangements in place, including contractual terms and conditions, for international doctors, who are on placement at the Trust as part of the Programme. This will include consideration of any potential tax implications of stipend payments.
4 – Financial Flows	We will review the financial flows between the Trust and its overseas partners, including how these are governed, and the use of a third party (a UK based company) to make payments. This will include consideration over any potential tax risks.
5 – Interview and Selection	We will review the assurances the Trust has received over the candidate interview and selection process which has operated since the IFP's inception.
6 – Travel and Expenses	We will review the expenses and travel costs incurred by the Trust's staff as part of the ITP, including overseas travel. We will seek to understand whether Trust employees involved in the programme completed declarations of interest where required to do, including where Trust employees may have received gifts related to IFP.

Out of Scope

The scope of this review is limited to the objectives listed above and the questions set-out in Appendix A. Any tax consideration including those shared as part of this review, should not be treated as tax advice. We will not review the separate International Post Graduate Medical Training Scheme.

Scope of Independent Review

The Trust has provided a series of questions for us to consider as part of this review, which are set-out in Appendix A, and form the basis for the scope of this Independent Review, which is summarised over the below six objectives:

Questions provided by the Trust for consideration	
1 – Programme Governance	<ul style="list-style-type: none"> • What are (and what were) the internal reporting processes for the Programme? • Is there now (and was there previously) appropriate financial governance in place for the Programme? • Are the People Directorate (and were they) appropriately appraised of any legal and HR issues involving ITFs/the Programme? How are these documented/reported? • Have all Trust employees involved in the Programme completed declarations of interest where required to do so.
2 – Arrangements with Overseas Partner Organisations	<ul style="list-style-type: none"> • What was the decision-making process for determining which overseas organisations the Trust would work with and how were these organisations approached? • Were all the Memorandums of Understandings ("MOUs") with the overseas organisations reviewed by the Trust (including its legal team)? • How were the MOUs with the overseas organisations ratified through the Trust's internal governance processes (to include HR and Medical education)?

Terms of reference extract (cont.)

Questions provided by the Trust for consideration		
2 – Arrangements with Overseas Partner Organisations	<ul style="list-style-type: none"> How often were the MOUs reviewed and by whom? Are the MOUs broadly in line with agreements/MOUs agreed by other NHS Trusts participating in the MTI? 	
3 – ITF Contracts	<ul style="list-style-type: none"> What contracts are held by the ITFs? Has the Trust sought appropriate assurance on the terms and conditions between the ITFs and the overseas organisations? Has the Trust Board been appropriately appraised of the terms on which the ITFs are employed/sponsored? How was the decision made regarding the placement terms of the ITFs? Did this decision receive approval by the Trust's Board? Are the contracts held by the ITFs comparable to those held by UK Residents? What assurance has been sought regarding the renumeration received by the ITFs and how has the Trust Board been informed of this? Have the ITFs been appropriately advised of any potential tax implications of the stipend payment? Are ITFs given the same opportunity to raise concerns regarding clinical/patient safety/wellbeing issues as all other Residents? 	<ul style="list-style-type: none"> What are the financial flows between the Trust and the overseas organisations (and vice versa)? Is there appropriate contractual documentation in place to govern the financial flows? What are the financial flows between the Trust and Trainee Scholars Limited (and vice versa)? Is there appropriate contractual documentation in place to govern the financial flows? How did the overseas organisations identify Trainee Scholars Limited as an appropriate company to support in the transacting of the stipend payments? Was it appropriate that the Trust allow the overseas organisations to elect which company the Trust should use to pay the stipend to? Should the Trust have paid any stipends? Did the Trust seek legal advice regarding the payment of stipends? Was the Trust Board appraised of the advice and potential risks? Was the use of Trainee and Scholars Limited a means by which to avoid liability for tax and national insurance? Does any Trust employee have an interest in Trainee and Scholars Limited? Are there any other financial flows involving Trust employees? If so, have these been declared?
4 – Financial Flows	<ul style="list-style-type: none"> What are the financial flows between the Trust and the overseas organisations (and vice versa)? Is there appropriate contractual documentation in place to govern the financial flows? What are the financial flows between the Trust and Trainee Scholars Limited (and vice versa)? Is there appropriate contractual documentation in place to govern the financial flows? 	<ul style="list-style-type: none"> How has the Trust assured itself that all four overseas partners undertake a fair selection process for compiling a pool of candidates to be interviewed by the Trust**? Were the Trust employees appropriately trained to undertake the interview process for ITF selection? Were the interviews held in accordance with the Trust's interview and selection criteria? What are the selection criteria for the ITFs?

Terms of reference extract (cont.)

Questions provided by the Trust for consideration	
	<ul style="list-style-type: none"> • Do the ITFs meet the minimum criteria when compared counterparts working in the same role? If not, were clinical areas informed of this and was appropriate support provided to the individuals and clinical areas? <p>(**Note series of allegations from trainee re selection process)</p>
6 – Travel and Expenses	<ul style="list-style-type: none"> • Were the expenses and travel costs incurred by the Trust reasonable, in that <ul style="list-style-type: none"> – Was it necessary for the Trust employees to travel to Pakistan? – Were the expenses and travel costs incurred reasonable? • How were expenses and travel costs incurred by Trust employees paid? • How was it determined which Trust employees would travel to Pakistan? • Was all travel to Pakistan to interview candidates? If not, what was the reason for the travel and was it appropriately declared? • Were all expenses, travel costs and gifts recorded and accounted for in accordance with Trust processes and policies? • Were any gifts given to Trust employees whilst travelling abroad? • Were all expenses, travel costs, gifts, appropriately declared?



kpmg.com/uk

This report is provided pursuant to the terms of our engagement letter]. Nothing in this report constitutes a valuation or legal advice. We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in our engagement letter. This report is for the sole benefit of University Hospitals Birmingham NHS Foundation Trust. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the organisation, even though we may have been aware that others might read this report. This report is not suitable to be relied on by any party wishing to acquire rights against KPMG LLP (other than University Hospitals Birmingham NHS Foundation Trust) for any purpose or in any context. Any party other than the organisation that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through the organisation's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the organisation. Any disclosure of this report beyond what is permitted under our engagement letter may prejudice substantially our commercial interests. A request for our consent to any such wider disclosure may result in our agreement to these disclosure restrictions being lifted in part. If University Hospitals Birmingham NHS Foundation Trust receives a request for disclosure of the product of our work or this report under the Freedom of Information Act 2000 or the Freedom of Information (Scotland) Act 2002, having regard to these actionable disclosure restrictions the organisation should let us know and should not make a disclosure in response to any such request without first consulting KPMG LLP and taking into account any representations that KPMG LLP might make.

This report has been prepared solely for University Hospitals Birmingham NHS Foundation Trust in accordance with the terms and conditions set out in our engagement letter dated . We do not accept or assume any liability or duty of care for any other purpose or to any other party. This report should not be disclosed to any third party, quoted or referred to without our prior written consent.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. | CREATE: CRT143233B

© 2025 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Document Classification: KPMG Confidential