

# NWSSP Audit Committee Meeting Part A

Fri 25 October 2024, 10:00 - 12:00

Teams Meeting

## Agenda

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10:00 - 10:15  
15 min

### 1. Welcome

*Gareth Jones, Chair*

#### 1.1. Welcome and Opening Remarks

*Gareth Jones, Chair*

#### 1.2. Apologies

*Gareth Jones, Chair*

#### 1.3. Declarations of Interest

*Gareth Jones, Chair*

#### 1.4. Minutes of the Meeting held on 25 July 2024

*Gareth Jones, Chair*

 1.4 Draft Audit Committee Minutes 250724.pdf (15 pages)

#### 1.5. Matters Arising

*Gareth Jones, Chair*

 1.5 Matters Arising.pdf (4 pages)

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10:15 - 10:25  
10 min

### 2. NWSSP Update

#### 2.1. MD Update

*Alison Ramsey, Director of Finance & Corporate Services*

 2.1 AC Managing Director Update October 24\_.pdf (5 pages)

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10:25 - 10:45  
20 min

### 3. External Audit

*Steven Wyndham, Audit Wales*


#### 3.1. Audit Wales Update

*Steven Wyndham, Audit Wales*

 3.1 Audit Wales update paper - NWSSP October 2024 AC meeting.pdf (2 pages)

#### 3.2. Management Letter 2023-24

*Steven Wyndham, Audit Wales*

 3.2 NWSSP\_Management\_Letter\_2023-24 NWSSP - final.pdf (6 pages)

### 3.3. Audit Wales Nationally Hosted IT Systems Report

*Andrew Strong, Audit Wales*

 3.3 NWSSP\_Nationally Hosted NHS IT systems 23-24 Final Report.pdf (34 pages)

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10:45 - 11:05  
20 min

## 4. Internal Audit

*James Johns, Head of Internal Audit*

### 4.1. Progress Report

*James Johns, Head of Internal Audit*


 4.1A&A NWSSP Audit Cttee Progress Report Oct 24.pdf (7 pages)

### 4.2. Internal Audit Reports

*James Johns, Head of Internal Audit*

#### 4.2.1. NHS Building for Wales Framework Invitation to Tender Stage review

*Murray Gard, Internal Audit*

 4.2.1 NHS Building for Wales Invitation to Tender.pdf (19 pages)

### 4.3. Quality Assurance Improvement Programme

*Simon Cookson, Director of Audit & Assurance*

 4.3 QAIP Report 2023-24.pdf (13 pages)

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11:05 - 11:15  
10 min

## 5. Counter Fraud

*Mark Weston, Local Counter Fraud Lead*

### 5.1. Progress Update Report

*Mark Weston, Local Counter Fraud Lead*

 5.1 NWSSP Q2 2024 2025 LCFS Progress Report.pdf (7 pages)


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11:15 - 11:45  
30 min

## 6. Governance, Assurance & Risk

### 6.1. Governance Matters

*Alison Ramsey, Director of Finance & Corporate Services*

 6.1 Governance Matters October 2024\_.pdf (17 pages)

### 6.2. Corporate Risk Register



*James Quance, Assistant Director of Corporate Services*

 6.2 Corporate Risk Register Cover Paper Oct 2024.pdf (3 pages)

 6.2 Corporate Risk Register October 2024 (1) (003).pdf (4 pages)



### 6.3. Tracking of Audit Recommendations

*James Quance, Assistant Director of Corporate Services*

-  6.3 Tracking of Audit recommendations report October 2024 .pdf (3 pages)
-  6.3 Appendix A Audit Recommendations October 2024.pdf (2 pages)

## **6.4. Audit Committee Effectiveness Survey**

*Carly Wilce, Corporate Services Manager*

-  6.4 Audit Committee Effectiveness Survey 2024.pdf (3 pages)
-  6.4 Audit Committee Self-Assessment Survey Results 2024.pdf (13 pages)

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## **11:45 - 11:55 7. Items for Information**

10 min

*Gareth Jones, Chair*

### **7.1. Audit Committee Forward Plan 2024-2025**

*Gareth Jones, Chair*

-  7.1 Audit Committee Forward Plan 2024-25.pdf (3 pages)

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## **11:55 - 12:00 8. Any Other Business (by Prior Approval Only)**

5 min

*Gareth Jones, Chair*

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## **12:00 - 12:00 9. Date & Time of Next Meeting, 21 January 2025**

0 min

*Gareth Jones, Chair*

**VELINDRE UNIVERSITY NHS TRUST AUDIT COMMITTEE FOR  
NHS WALES SHARED SERVICES PARTNERSHIP**

**MINUTES OF THE MEETING HELD ON  
THURSDAY 25 JULY 2024 / 14:00 – 16:00  
IP5 NEWPORT**

<b>EXPECTED ATTENDEES:</b>		
<b>ATTENDANCE</b>	<b>DESIGNATION</b>	
<b>INDEPENDENT MEMBERS:</b>		
Gareth Jones (GJ) Chair	Independent Member	
Vicky Morris (VM)	Independent Member	
<b>ATTENDANCE</b>	<b>DESIGNATION</b>	<b>ORGANISATION</b>
Alison Ramsey (AR)	Director of Finance and Corporate Services	NWSSP
Carly Wilce (CW)	Corporate Services Manager	NWSSP
Carl James (CJ) via MS Teams	Interim Chief Executive Officer	Velindre
James Johns (JJ)	Head of Internal Audit	NWSSP
James Quance (JQ)	Assistant Director of Corporate Services	NWSSP
Lindsay Payne (LP)	Deputy Director of Finance & Corporate Services	NWSSP
Mark Weston (MW)	Local Counter Fraud Specialist	NWSSP
Neil Frow (NF)	Managing Director	NWSSP
Non Gwilym (NG)	Assistant Director of Communications	Velindre
Simon Cookson (SC)	Director of Audit & Assurance	NWSSP
Steve Wyndham (SW)	Audit Lead	Audit Wales
Stuart Douglas (SD)	Director of Specialist Estates Services	NWSSP
Jillian Haynes (JH)	Secretariat	NWSSP

<b>Item</b>		<b>Status</b>
<b>1. STANDARD BUSINESS</b>		
<b>1.1</b>	<b>Welcome and Opening Remarks</b> The Chair welcomed members to the meeting.	
<b>1.2</b>	<b>Apologies</b> Apologies were received from: Tracy Myhill, Chair of NWSSP Lauren Fear, Director of Corporate Governance, Velindre Sophie Corbett, Deputy Head of Internal Audit Matthew Bunce, Director of Finance, Velindre	
<b>1.3</b>	<b>Declarations of Interest</b> No declarations of interest were presented.	
<b>1.4</b>	<b>Minutes of Meeting held on 16 April 2024</b> The minutes of the meeting held on 16 April 2024 were <b>AGREED</b> as a true and accurate record of the meeting.	
<b>1.5</b>	<b>Matters Arising from the Meeting on 16 April 2024</b> All matters arising were complete or would feature on the agenda.	

Item		Status
	<p>JQ highlighted Action 3.2 regarding the 2024 Audit Assurance Arrangements. It had been decided that a discussion would be arranged with Audit Wales to determine if the assurance reporting arrangements in respect of Internal Audit could continue beyond 2024. A discussion had been held between JQ and SW and SW needed to seek confirmation from within Audit Wales on whether the request could be met and therefore the action remained outstanding. GJ suggested that the action was therefore incomplete and the narrative should be amended. To progress the matter, SW would refer it to Audit Wales’s internal ethics team to ensure there was no conflict with audit procedures and he would clarify the next stage when possible. VM asked if a timescale could be predicted. SW replied that the request had been made just the previous week and he could not give a deadline. He suggested that as the team was small, a response would probably be fairly imminent. GJ suggested entering the date of the next meeting as a deadline, i.e. 15 October. All agreed this was reasonable.</p> <p><b>Action: JQ to amend the date of Action 3.2 to 15 October.</b></p> <p>Committee <b>NOTED</b> and <b>APPROVED</b> the Matters Arising subject to the above amendment.</p>	<p><b>JQ/SW</b></p>
<b>2. NWSSP Update</b>		
<p><b>2.1</b></p>	<p><b>Managing Director’s Update</b></p> <p>NF updated members on various areas of the business.</p> <p><b>Finance:</b> a cumulative surplus of £1.153m at Month 3 had been recorded; a surplus of £0.846m within core operational budgets due to ongoing turnover and delays in recruitment, and £0.307m against the Covid-19 allocation. There were still challenges and pressures being experienced due to Covid. NF advised that there were no matters in respect of NWSSP that were highlighted in the Audit Wales ISA260 report to the Velindre Audit Committee regarding the 2023/24 Annual Accounts. He congratulated the Finance Team on another successful year.</p> <p><b>Radiopharmacy:</b> The Business Justification Case had been discussed at the SSPC and featured on the meeting’s agenda for approval. Submission to the Welsh Government (WG) was expected to occur at the end of July. GJ noted that it had not been presented to the Audit Committee.</p> <p><b>Laundry Services:</b> NF stated that there had been some positive progress. A Memorandum of Terms of Occupation (MOTO) was being created in conjunction with Hywel Dda University Health Board for ongoing occupation of the Glangwili site, and its use as a laundry hub. Such agreements were in place at other sites. Discussions were ongoing regarding Cwm Taf University Health Board’s Church Village site. NF</p>	

Item		Status
	<p>stated that their preferred option would be to transfer the laundry site to NWSSP, but NF explained that there was a backlog of maintenance, amongst other issues, and the MOTO was the NWSSP's preferred option going forward.</p> <p><b>Medical Examiners' Service:</b> Regulations for Death Certification Reforms had been presented to UK Parliament in April. These included the introduction of a statutory Medical Examiner system to commence on 9 September. Independent scrutiny by a Medical Examiner would become a statutory requirement prior to the registration of all non-coronial deaths in England and Wales. The service was expected to be 24/7, but there were challenges in receiving records on weekends.</p> <p><b>System Developments:</b> The procurement phase of the enhancement to the ESR system has commenced and a contract would be awarded to the successful supplier by spring 2025. NF stated that NWSSP was continuing to work with England on the new payroll/human resources data system and costs would hopefully be known within a few months. Employees would be encouraged to use the self-service system; data must be regularly updated in order for workforce planning to be effective. The National Health Application and Infrastructure Services (NHAIS) system was being decommissioned.</p> <p><b>Personal Protective Equipment (PPE) Stock:</b> The NWSSP adhered to the level of PPE stock as advised by the WG, but the challenge lay in agreeing the level and composition of stock. More storage would potentially be required and there is regular dialogue with WG policy officials. Information requests continued for the Covid-19 Inquiry and NWSSP had been named as a core participant for Module 5. NF acknowledged that it was a busy period for Procurement and support is being provided.</p> <p><b>Medicines Buffer Stock:</b> On 20 March, WG had approved the holding of stock in order to increase resilience and £1.2m (inc VAT) had been agreed for initial procurement. The stock would be held at Picketston and managed by an SLA; a group had been identified to oversee operations which would include WG and health board colleagues.</p> <p><b>Decarbonisation:</b> WG feedback had been received in June on the action plan for 2023/24. An amber rating had been awarded. Commendations included best practice for electric vehicles, Procurement activities and PV installation. NF advised that there were challenges in delivering the decarbonisation agenda with limited resources as recognised within an Internal Audit review.</p> <p><b>Infected Blood Inquiry:</b> Formal instruction from WG had been received in June to make a second interim compensation payment as part of the UK Government's response to the Infected Blood Inquiry's Final Report. Funding of £45m had been provided for payments to beneficiaries to be made before the end of June, and this had been accomplished by the team involving considerable effort. AR stated that</p>	

Item		Status
	<p>£37m had actually been paid out, but another cohort of payments would be processed. AR confirmed that 177 beneficiaries had been in receipt of payments. NF advised that other beneficiaries may come forward.</p> <p><b>Staff Awards:</b> The programme of presenting award winners with their certificates and awards had concluded on 27 July 2024.</p> <p><b>Development Activity:</b> Planning for the SSPC autumn session was underway. The Team Wales event had been attended by the Senior Leadership Group (SLG) and NWSSP would be represented at the NHS Peer Group Event on 29 July. The SLG had attended Service Improvement workshops in order to further develop an approach.</p> <p><b>Staffing Update:</b> There were no changes of senior staffing in the period to report.</p> <p>The Committee <b>NOTED</b> the report.</p>	
<b>3. EXTERNAL AUDIT</b>		
<b>3.1</b>	<p><b>Audit Wales Update - July 2024</b></p> <p><i>Audit Wales Update for the NWSSP Audit Committee – July 2024</i></p> <p>SW advised that the audit and assurance work at NWSSP for 2023-24 was complete and conclusions had been communicated to the NHS audit teams during June. SW thanked NWSSP staff for their help. There were no matters arising. Findings would be formally reported in readiness for the next Audit Committee meeting. SW and team were canvassing other NHS audit teams to identify any matters identified from their local audit work in respect of NWSSP. The audit of Velindre’s 2023-24 Annual Accounts had been signed off that week.</p> <p>SW also confirmed that internal assurances were complete. He had contacted various NHS audit teams and had found no issues involving NWSSP. SW was confident that there would be no significant issues picked up by other NHS audit teams and expected to report a clean bill of health in October. Regarding the audit work on IT systems in place, SW stated that Andrew Strong was on leave and so no update was available, but again there were no significant issues of which he was aware. Opportunities for sharing good practice were constantly being sought.</p> <p>The Annual Plan for 2024-25 had been issued which detailed priorities for the next twelve months.</p> <p>Committee <b>NOTED</b> the report.</p>	
<b>4. INTERNAL AUDIT</b>		

Item		Status
4.1	<p><b>Progress Report</b></p> <p>JJ introduced the four reports which had been finalised since the Audit Committee meeting in April. These had been fed into the 2023-24 Audit Opinion and progress had been made with the 2024-25 Audit Plan.</p> <p>The Committee <b>NOTED</b> the report.</p>	
4.2	<p><b>Internal Audit Reports</b></p>	
4.2.1	<p><b>Decarbonisation</b></p> <p>The assurance rating was limited.</p> <p>JJ reported that this had been a broad piece of work across all NHS Wales bodies. Consistency checking had built upon the previous year's advisory work. The ability to achieve targets and funding structures were issues which made the overall rating limited in common with other organisations. A governance plan had been created and identified the target objectives.</p> <p>SD stated that the national governance role had been useful in setting up a consistent reporting mechanism across Wales, and the Decarbonisation Coordination Report Team (DCRT) had completed good work. Excellent practise was in place in 2023-24. However, the work was not on course to achieve the WG deadline of 2030. NWSSP had been unable to develop a fully costed implementation plan with funding strategies for the whole decarbonisation programme, due to insufficient capital funding. This had impacted on a number of key initiatives affecting the ability to achieve the required carbon reduction of 16% by 2025 and the 34% (net zero) deadline by 2030.</p> <p>Three risks were considered during the audit: the risk of not achieving mandated carbon reductions; reputational risk by failing to meet targets; and failing key stakeholders.</p> <p>SD stated that his team was respectful of the audit's findings. The DCRT had set up a very effective and consistent reporting mechanism across Wales. His division's role was to support the NWSSP. The agreed management actions were to record the risk; roll out the staff training plan proposals which had been approved earlier in the day, and cost the plan which, SD stated, would be complete by 30 September.</p> <p>VM asked how the issue of lack of capital would be fed back to WG. SC explained that all limited assurance reports would revert to WG as a standard. He could see there had been changes in funding on the estates backlog as a result of feedback on other common audit findings. VM asked if there was a responsibility for management to provide a cover letter highlighting any shortfall in order to support its escalation. NF stated that the National Decarbonisation Programme Board had written</p>	

Item		Status
	<p>to the Minister to highlight the lack of capital and how this would ultimately affect the decarbonisation strategy deadline.</p> <p>GJ had discussed the matter with internal audit colleagues to gain context to the issue. There was a gap of hundreds of millions of pounds in the decarbonisation agenda and so it was a matter of deciding what could reasonably be achieved. The funding was limited for a reason and the gap could not be closed, so a different conversation would be required. GJ agreed, but stated that it was a case of having a target without the means to achieve it.</p> <p>NF added that the technology was also not in place to support achieving the target, e.g. installing a heat source pump into a hospital setting would be difficult and costly, as new plumbing etc would be required. Electric HGVs had been trialled after a delay, but had proved ineffective in terms of mileage. There were 35 vans in the fleet and the limited range on offer was also not helpful. Investments in the team to embed decarbonisation support was challenging and much more support was required to reach the target. The Chair thanked SD for his contribution and he left the meeting.</p> <p>Committee <b>NOTED</b> the report.</p>	
4.2.2	<p><b>Student Awards</b></p> <p>JJ related that implementation of the new GP UK system had improved automation and efficiency, with students able to upload evidence to support their application. Universities were able to update the system with course information. Applications were being promptly reviewed by the bursary assessors and sample testing identified no errors in the calculation of bursary awards.</p> <p>Three medium priority matters had been identified: absence of procedural guidance where system issues were identified; absence of an SLA with Health Education and Improvement Wales (HEIW); and issues with the application form and Student Awards Services having access to amend student bank details.</p> <p>The proposed SLA offered clear responsibilities and the allocated assurance rating was rated as reasonable overall.</p> <p>VM queried why no SLA had been implemented previously if the service had already been in place for twelve years. AR clarified that it was a new system not a new service. She added that NWSSP was in regular contact with colleagues in HEIW who had not raised any major issues to date. The proposed SLA would be unequivocal.</p> <p>GJ queried the recommendation at 3.1, where a solution had been sought to accommodate a contradiction in the system, which would mean the system reverted to the student for clarity. The deadline quoted was the end of the calendar year and GJ enquired whether that date</p>	



Item		Status
	<p>GJ also queried Item 4.2 which seemed to be contradictory to the management action, as it referred to the source of issues. He asked JJ to amend the wording of the item to clarify the meaning.</p> <p><b>Action: JJ to amend and clarify the meaning of the item.</b></p>	<p><b>JJ</b></p>
<p>4.2.4</p>	<p><b>Procurement Services</b></p> <p>JJ reported that the aim of the audit was to review the adequacy of the systems and controls in place for procurement of contracts above OJEU thresholds. The allocated assurance rating was reasonable. In relation to contracts, there was one high priority recommendation regarding a specific contract award which should have been the subject of a single tender action.</p> <p>GJ referred to page 10 and the recommendation regarding document procedural guidance for the use of frameworks and the incorporation into DMS with a 31 October deadline. He queried the timeline as this seemed to be a relatively easy task. JJ stated that the deadline related to the new procurement procedures overall.</p> <p>GJ further queried Item 2.1a on page 12, referring to the review of all contracts within the CTM Procurement team above the threshold of £138K and asked for more detail of what follows on from the review. AR explained that non-compliant contracts would be checked retrospectively. Appropriate staff training would be implemented if necessary and internal controls would include peer and line manager reviews of all contracts above the threshold.</p> <p>GJ enquired why those two health boards (CTMUHB and SBUHB) had been chosen for audit and JJ explained that it had been agreed in the planning stages.</p> <p><b>Action: AR to update the Audit Committee on the outcome of the review from Procurement Services at the next Audit Committee meeting in October 2024.</b></p> <p>Committee received <b>NOTED</b> all the above reports.</p>	<p><b>AR</b></p>
<p>4.3</p>	<p><b>Head of Internal Audit Opinion and Annual Report 2023-2024</b></p> <p>JJ reported that the Managing Director is accountable to the SSPC for maintaining the internal control supporting the organisation's objectives and for implementing arrangements for gaining assurance about the effectiveness of the overall system. A key element in the process, is the overall assurance opinion from the Head of Internal Audit. The presented report set out the opinion together with the summarised results of the internal audit work performed during the year. A summary of audit performance and an assessment of conformance with the Public Sector Internal Audit Standards was included.</p>	

Item		Status
	<p>Paragraph 1.2 showed that an overall reasonable assurance rating was given for the year. The basis for the categorisation, delivery of the Audit Plan and a summary of audit assignments were shown in the report.</p> <p>VM queried the inclusion on page 12/13 which stated 'that it was very likely that the number of outstanding recommendations will have grown during the course of the pandemic'. JJ stated that that the suggested inclusion covered a general point and was an aide-memoire to monitor the situation, but it was not an issue that had arisen. GJ stated that, in fact, there was a significant reduction in audit recommendations and they were being managed well; the statement did not reflect a fair representation. GJ stated that the report needed to be an accurate reflection of the situation in 2023-24, not a forecast of a situation which may exist in the future. VM preferred it was not reflected in the report and GJ asked JJ to amend the report.</p> <p><b>Action: JJ to amend the report and remove the clause relating to the likely increase in the number of outstanding recommendations.</b></p> <p>GJ continued that, on page 6, the presented information referenced the 'Board' on several occasions which was incorrect and should be amended to 'Committee'.</p> <p><b>Action: JJ to amend the term 'Board' to 'Committee'.</b></p> <p>SC asked members to accept the report and the assurance classification, subject to the above actions.</p> <p>The Committee <b>noted</b> the report subject to the above amendments.</p>	<p>JJ</p> <p>JJ</p>
<b>5. COUNTER FRAUD</b>		
5.1	<p><b>Counter Fraud Annual Report and Functional Standards Return 2023-2024</b></p> <p>MW presented the Annual Report and the Functional Standards Return and summarised that as at the end of March 2024, 206 days of counter fraud work had been completed against the agreed 210 days in the Counter Fraud Annual Work Plan. He explained that there was a reduced number of days provided because the NWSSP's LCFS Manager provided a basic local counter fraud service of five days a year to LLAIS. He continued that the previous period had focused on proactive work and that 432 staff had been trained over 18 sessions. New starters would automatically receive the training.</p> <p>The Counter Fraud Plan's objectives for 2023/2024 were fully aligned to the NHS Counter Fraud Authority requirements as stipulated in Government Standard 013. MW advised that all of the twelve standards of the Annual Counter Fraud Functional Standards Return were rated</p>	

Item		Status
	<p>green with one exception: the Fraud, bribery and corruption risk assessment. Over £62K had been recovered/prevented from being lost in the year 2023-4.</p> <p>VM observed that it was the first time the Committee has seen the self-assessment form and she congratulated MW on achieving good results. She enquired how a greater level of training had been achieved in the first quarter. AR explained that there was a risk-based approach and staff were encouraged to complete the online learning. NF stated that it had been decided against making training mandatory, as there was already a long list of courses for staff to complete as part of their induction and there was a risk of overburdening them. Targeted and customised training had proved effective.</p> <p>GJ noted that uptake of the app had been low and MW explained that this was due to technical issues and complicated downloading processes. Staff had also been asked to download it to their personal devices and many were reluctant.</p> <p>The Committee <b>NOTED</b> the reported update.</p>	
5.2	<p><b>Progress Report</b></p> <p><i>Counter Fraud Progress Report Quarter 1 (01/04/2024 – 30/06/2024)</i></p> <p>MW reported that at the end of June, nearly 49 days of Counter Fraud work had been completed against the agreed 210 days in the Counter Fraud Annual Work Plan. There had been one new fraud investigation and once case closed in the quarter.</p> <p>Fraud Awareness activity had been mainly focused on three sessions to new starters and two sessions to the Supply Chain, Logistics and Transport staff, and managers at Denbigh Stores. MW had also been invited to present on 'Combatting Fraud in NHS Wales' to the Shared Services Forum UK in Chester.</p> <p>The Committee <b>NOTED</b> the report.</p>	
<b>6. GOVERNANCE, ASSURANCE AND RISK</b>		
6.1	<p><b>Final Annual Governance Statement 2023-2024</b></p> <p>JQ stated that there was no formal requirement for the report to be produced, but it is good practice and summarised the governance and control arrangements in the organisation and was a basis for future planning. GJ noted that on page 5, a reference was made to 'documents of governance of accountability framework' and he asked to see the agreements listed.</p>	

Item		Status
	<p><b>Action: JQ to furnish members with detail on the documents quoted.</b></p> <p>GJ noticed an error on page 10, regarding TM’s attendance of the Audit Committee. TM had sent apologies for the January 2024 meeting as recorded in the minutes and within the Annual Report.</p> <p><b>Action: JQ to amend the attendance list for January 2024.</b></p> <p>GJ queried the number of information governance breaches in 2023/24 shown on page 26: there were 42 breaches and he asked if the number was usually excessive. JQ assured members that none of the breaches was significant in impact and were largely low level, for example an email sent to the wrong staff member. AR had asked similar questions and would follow up with appropriate colleagues to determine a more useful way to analyse and detail the data. NF would sign and approve the document and it would be forwarded to the SSPC and WG.</p> <p><b>Action – To consult with Subject Matter Expert, Information Governance Manager to determine, if 42 Information Governance breaches reported in 2023/24 were considered excessive.</b></p> <p>The Committee <b>NOTED</b> the update.</p>	<p><b>JQ</b></p> <p><b>JQ</b></p> <p><b>JQ/CW</b></p>
<p><b>6.2</b></p>	<p><b>Governance Matters</b></p> <p>AR had met with Procurement colleagues and had sought assurances as part of fundamental control standards. Clarity needed to be provided to budget holders and requisitioners on the appropriate process to be following and the need to seek timely advice from Procurement when procuring goods and services to minimise the need for Single Tenders and File Notes. AR had asked Procurement to attend an SLG meeting to discuss good practice with regard to contract renewals and the potential requirement to revisit training needs.</p> <p>AR continued that laundries operated with a high dependency on agency staff, however NWSSP had inherited this practice, but was focused on offering a mix of fixed and permanent contacts to minimise the use and consequent costs of use of agency.</p> <p>VM suggested a front paper of the lessons learned in the process would be useful, to include themes, key points and risks. NF asked if there was anything colleagues could do to help highlight areas. VM suggested a summary of key issues and risks. Members would consider this suggestion further and revert. GJ acknowledged the challenge between a concise and a verbose report, and he brought the meeting’s attention to page 3, Appendix A, which read ‘Legal counsel for AW taxi services’, thereby showcasing that this narrative was not detailed enough to be useful. Another example GJ quoted was the text, ‘long term strategy being discussed with Procurement going forward’ which, he suggested, conveyed little about the contract itself. GJ added that page 4 indicated</p>	

Item		Status
	<p>that £150K had been spent on suppliers, and he asked if this was considered value for money, as there was no helpful opinion to support the sentence.</p> <p>GJ also referred to page 12, row 19, regarding the septic medications which had been sent to WG on 20 May, a contract involving £82m. He understood that WG’s response would take up to six weeks and GJ asked whether approval was normally awaited before the agreement was progressed even when there were time pressures. NF replied affirmatively. GJ stated that he would appreciate that level of detail in future reports and suggested a discussion take place outside the meeting.</p> <p><b>Action: CW would liaise with Procurement colleagues who collate the contracting activity, to request that future reports be shared with the Corporate Services earlier, to ensure that the Director of Finance can review and scrutinise the activity in sufficient time beforehand and any queries can be raised and dealt with accordingly and sufficient explanation provided in the report.</b></p> <p>Committee <b>NOTED</b> the report.</p>	<b>CW</b>
<b>6.3</b>	<p><b>Corporate Risk Register</b></p> <p>JQ had worked closely with the Senior Leaders’ Group (SLG) on current risks and the register had been reframed with certain risks escalated. There were four red risks to note on the report. JQ advised that the register would be reviewed regularly and risk status would either reduce naturally or by conscious management action. He stated that appetite statement has also been considered and agreed as continuing to be relevant. GJ asked if the statement is applied in practise and is fit for purpose. JQ stated that the consensus of SLG it that is used as a guide and is being followed.</p> <p>NF reported that the Appetite Statement had previously been agreed with the SSPC, who encouraged the NWSSP to be less risk averse.</p> <p>GJ drew the Committee’s attention to page 2, Risk A6, around Covid-19 which showed a target date of 31 March 2026. He queried the timeline and JQ advised that the timelines of this risk was difficult to articulate as they were out of the control of the NWSSP. VM requested that the timeline is reviewed. NF stated that the Inquiry’s progress and timeline would be clearer in early October, when the NWSSP would be in a better position to understand when the risk could be reduced. AR stated that the Inquiry’s report at the close of each Module would highlight actions required and the timelines would be clarified at that point.</p> <p><b>Action: JQ to review the target date against Risk A6 and add the progress made against each risk.</b></p>	<b>JQ</b>

Item		Status
	Committee <b>NOTED</b> and <b>APPROVED</b> the report subject to the amendments requested.	
<b>6.4</b>	<p><b>Transforming Access to Medicines Update</b></p> <p>The Committee <b>NOTED</b> the report.</p>	
<b>6.5</b>	<p><b>Tracking of Audit Recommendations</b></p> <p>The report detailed <b>252</b> recommendations for action, of which <b>245</b> were implemented, <b>5</b> were not yet due and <b>2</b> were overdue, however <b>1</b> of which, was dependent on a third party to fully implement. The Audit Committee was asked to approve the extension of the target date of recommendation <b>1</b>, detailed in appendix A, relating to Accounts Payable, from 30/06/2024 - 30/09/2024. Recommendation <b>2</b> had already been formally extended and would therefore remain overdue. However, it was confirmed that a date for disaster recovery testing had been scheduled to take place on 12 August 2024.</p> <p>The Audit Committee <b>NOTED</b> the report and <b>APPROVED</b> the revised deadline of recommendation 1 detailed above.</p>	
<b>6.6</b>	<p><b>Annual Declarations of Interest and Gifts, Hospitality and Sponsorship 2024</b></p> <p>JQ stated that the procedure is now to require all employees to record declarations of interest on ESR. Managers were asked to promote the procedure among their staff. SLG members would monitor entries on an ongoing basis.</p> <p>GJ noted that Conflicts of Interests compliance for Procurement Services was lower than expected and the area had the highest level of uncompleted returns. He was concerned that this division would inherently have the greatest opportunity for conflicts of interest and suggested that the figure be shown in greater detail. AR stated that many of the staff included in the Procurement figures are stores or Health Courier Services who may not have online access to record declarations and for whom the risk is inherently lower. NF added that Procurement staff would have to complete a Declaration of Interest on each procurement. GJ asked that more detail be included on the report to provide greater clarity.</p> <p><b>Action: JQ to provide an update with greater granularity on the Procurement declarations at the next meeting.</b></p>	<b>JQ</b>
<b>6.7</b>	<p><b>Audit Committee Annual Report 2023-24</b></p> <p>GJ acknowledged the contribution made by Martin Veale, the previous Chair.</p>	

Item		Status
	Committee <b>NOTED</b> and approved the report.	
<b>6.8</b>	<p><b>Audit Committee Terms of Reference Review 2024</b></p> <p>GJ shared that he had suggested to the Velindre Director of Corporate Governance that an additional Committee Member be recruited.</p> <p>Committee <b>NOTED</b> and approved the Review.</p>	
<b>7. ITEMS FOR INFORMATION</b>		
<b>7.1</b>	<p><b>2024-2025 Forward Plan</b></p> <p>Committee <b>NOTED</b> the document.</p>	
<b>7.2</b>	<p><b>NWSSP Annual Review 2023-2024</b></p> <p>GJ congratulated all involved on an impressive document. He had noted a number of minor typographical errors and had liaised with CW to amend prior to publication.</p> <p>Committee <b>NOTED</b> the document.</p>	
<b>7.3</b>	<p><b>Welsh Language Annual Report 2023-24</b></p> <p>Committee <b>NOTED</b> the document.</p>	
<b>7.4</b>	<p><b>Information Governance Annual Report 2023-24</b></p> <p>Committee <b>NOTED</b> the document.</p>	
<b>8. ANY OTHER BUSINESS - BY PRIOR APPROVAL ONLY</b>		
<b>8.1</b>	<p>GJ suggested to the Velindre Director of Corporate Governance that a highlight report of this Committee's meeting be presented to the Velindre Trust's Board. JQ stated that a summary was presented to the SSPC as a standard procedure and would ensure that the same was provided to the Velindre Governance Team for inclusion in the Board papers.</p> <p><b>Action: CW to produce a highlight report signed by the NWSSP Audit Committee Chair, for Velindre University NHS Trust Board.</b></p> <p>There was no other business to discuss.</p>	<b>CW</b>
<b>9. DATE/TIME OF NEXT MEETING</b>		
<b>9.1</b>	The next meeting would be held on 15 October 2024 at 14:00-16:00. VM's apologies were noted and an alternative date may need to be found.	

<b>Item</b>		<b>Status</b>
	Proposed meeting dates for 2025/2026 had been shared with GJ.	

<b>Actions arising from the meeting held on 25 July 24</b>			<b>Action by</b>	
3.2	<b>SW</b>	<p><b>2024 Audit Assurance Arrangements - NWSSP</b>  <i>Audit Wales to determine if the assurance reporting arrangements for NWSSP in respect of Internal Audit could continue beyond 2024. The request has been reported to the internal ethics team at Audit Wales for consideration. A decision from the team should be received by the date of the next meeting. To amend the date of Action 3.2 to 15 October</i></p>	<p><b>Complete</b>            Audit Wales have liaised with its internal law and ethical team, who have advised that they would only complete this work if it supports their audit opinion work. They do not provide any non-audit services. Therefore, as NHS audit teams do not require assurances on the work of Internal Audit to support their opinion work, the review of Internal Audit would be the provision of non-audit services and so not permitted. The position could change should NHS audit teams require them to provide Internal Audit assurances but as things currently stand that is not the case.</p>	<b>15 October 2024</b>
2.1	<b>CW</b>	<p><b>Managing Director Update</b>  <i>To share TrAMS slides.</i></p>	<p><b>Complete</b>            Issued by CW on 31/07/2024</p>	<b>15 October 2024</b>
4.3	<b>JJ</b>	<p><b>Head of Internal Audit Opinion and Annual Report</b>  <i>To complete the changes agreed and return the updated version of 2023-24 IOH Annual Report to Corporate Services for sharing with Independent Members. Changes include-</i></p> <ul style="list-style-type: none"> <li>• <i>to amend the term 'Board' to 'Committee'; and</i></li> <li>• <i>to amend the report and remove the clause</i></li> </ul>	<p><b>Complete –</b>            Updated report received on 01/08/2024. Revised report shared with Independent Members on 02/08/2024.</p>	<b>15 October 2024</b>

		<i>relating to the likely increase in the number of outstanding recommendations</i>		
4.2.3	<b>JJ</b>	<b>Single Lead Employer Internal Audit Report</b> <i>To review recommendations 2.1, 3.1 and 4.2 and update the narrative of recommendation to clarify the meaning.</i>	<b>Complete</b> Internal Audit report was updated and shared by Internal Audit. Amended report was emailed to Independent Members for consideration to which they were content with the changes made. It was however suggested that it would be helpful to receive a tracked changed version, as opposed to a PDF so changes are easily identifiable.	<b>15 October 2024</b>
	<b>CW</b>	<b>Single Lead Employer Internal Audit Report</b> <i>To circulate the Overpayments Policy to members.</i>	<b>Complete</b> Issued on 31/07/2024.	
4.2.4	<b>CS</b>	<b>Procurement Services – CTMUHB &amp; SBUHB</b> <i>To update the Audit Committee on the outcome of the review from Procurement Services at the next Audit Committee meeting in October 2024.</i>	<b>In progress</b> Awaiting update	<b>15 October 2024</b>
4.2.2	<b>AR</b>	<b>Student Awards Internal Audit Report</b> <i>To obtain an update from the Student Awards Team for the next Audit Committee meeting on progress made regarding the ongoing work with the developer, to resolve manual workarounds, highlighted in the report.</i>	<b>Complete</b> Update received from the Assistant Director of Employment Services. The errors stated in the report were part of the testing of old data to improve the new system. Sample testing by Internal Audit post going live, identified no issues. There have been no issues affecting students at present or since the system went live. There is one fix	<b>15 October 2024</b>

			outstanding, however there is a robust workaround to ensure compliance until the fix is deployed.	
6.1	<b>CW</b>	<b>Annual Governance Statement</b> <i>There was a discrepancy between the Audit Committee Annual Report and the Annual Governance Statement, relating to the attendance of NWSSP's Chair at the Audit Committee in January 2024 meeting. To review the attendance to ensure accuracy and update the respective document prior to publishing.</i>	<b>Complete</b> The Annual Governance Statement has been updated and sent for translation prior to publishing on the NWSSP website.	<b>15 October 2024</b>
6.1	<b>JQ</b>	<b>Annual Governance Statement</b> <i>To furnish members with detail on the documents quoted on page 5 with Independent Members.</i>	<b>Complete</b> As per email issued by the Assistant Director of Corporate Services on 17/10/2024.	
6.1	<b>JQ/CW</b>	<b>Annual Governance Statement</b> <i>To consult with Subject Matter Expert, Information Governance Manager to determine, if 42 Information Governance breaches reported in 2023/24 were considered excessive.</i>	<b>Complete</b> For an organisation that is very information heavy in its processing across NHS Wales and supporting all NHS Wales organisations in areas including Employment Services (recruitment, pensions, payroll, student awards), Procurement, Legal, Primary Care and the statutory Medical Examiner, this is not considered to be excessive. The majority of breaches are mostly internal to NHS Wales and none have been assessed as either 1. severe or 2. i.e. reportable to the Information Commissioner's Office (ICO). NWSSP encourages reporting of any data breach (regardless of how small) and the culture of accountability and honesty raises a trend which is mostly	

			down to simple human error, and recommendations are provided to attempt to reduce the numbers experienced within NWSSP.	
6.2	<b>CW</b>	<b>Governance Matters</b> <i>liaise with Procurement colleagues who collate the contracting activity, to request that future reports be shared with the Corporate Services in advance, to ensure that the Director of Finance can review and scrutinise the activity in sufficient time beforehand and any queries can be raised and dealt with accordingly and sufficient explanation provided in the report.</i>	<b>Complete</b>	
6.3	<b>JQ</b>	<b>Corporate Risk Register</b> <i>To review the target date of risk A6 and to include the progress made against each risk.</i>	<b>Complete</b> JQ has reviewed the register and the target date of A6 includes an update on progress made.	<b>15 October 2024</b>
6.6	<b>CW</b>	<b>Annual Declarations of Interest and Gifts, Hospitality and Sponsorship 2024</b> <i>To provide an update with greater granularity on the Procurement declarations at the next meeting.</i>	<b>Complete</b> Breakdown is included within the Governance Matters Report.	<b>Awaiting COI report</b>
8.1	<b>CW</b>	<b>Any Other Business</b> <i>To produce a highlight report signed by the Audit Committee Chair, for Velindre University Trust Board.</i>	<b>Complete</b> CW will ensure that a NWSSP Audit Committee highlight report is prepared for inclusion of the Velindre University Trust Board papers in September 2024.	<b>15 October 2024</b>
8.1	<b>CW</b>	<b>Date and time of next meeting</b> <i>To rearrange the Audit Committee meeting on 15 October 2024 due to annual leave commitments.</i>	<b>Complete</b> The date of the next meeting has been rescheduled for Friday 25 October 2024.	<b>15 October 2024</b>

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	25 October 2024
<b>PREPARED BY</b>	James Quance, Assistant Director of Corporate Services
<b>PRESENTED BY</b>	Alison Ramsey, Director of Finance and Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Neil Frow, Managing Director
<b>TITLE OF REPORT</b>	NWSSP Update

**PURPOSE**

To update the Audit Committee on recent developments within NWSSP.

**Introduction**

This paper provides an update into the key issues that have impacted upon, and the activities undertaken by, NWSSP since the date of the last meeting in July 2024.

**Finance**

NWSSP reported a year-to-date surplus of £2.171m at Month 6. This was reported as a surplus of £1.7m within our core operational budgets and £0.471m against our recurrent covid allocation. The surplus against core operational budgets is due to ongoing turnover and delays with recruitment to vacancies. The Welsh Risk Pool forecast remains on target per our IMTP (£139.913m).

Our current capital allocation remains at £6.611m. Our bid for additional capital slippage monies was submitted to Welsh Government on 30th September.

**IMTP**

As we look at the position at the end of the second quarter it is pleasing to see that 77% of our objectives are on track to be delivered in year. Our focus

on ensuring that objectives are more focused, realistic and achievable continues and is being reflected in a smaller number of objectives in 2024/25 than the previous year. I am discussing progress with divisional leadership teams in quarterly performance review meetings during October chaired by our new Director of Planning, Performance and Informatics, Rebecca Nelson.

## **Radiopharmacy**

Following submission of the Business Justification Case in August we are working on resolving three main dependencies to unlock the investment decision:

- detailed design reviews, which will take place during September and October 2024, to confirm that the design meets expectations.
- receipt of planning permission, which is also expected imminently, but is not in our control; and
- final commercial close with contractors, which will confirm the level of contingency still uncommitted. The project is within the capital budget as presented to Shared Services Partnership Committee (SSPC) in July and expects to remain so.

Considering a time allowance for investment approval, the earliest date for building works to begin is now November 2024. We are aiming for service Go Live in July 2025, planning permission pending.

## **South East Hub**

Work is focussed around agreeing the revenue baseline, preferred option operating costs and benefits, and overall revenue funding profile and organisational shares. Once this is agreed, and Outline Business Case will be presented to SSPC. We are aiming to bring this to the November 2024 meeting of the SSPC, for review and approval in January 2024.

## **Laundry Service**

The four laundry production model has now been successfully operational for the last 4 months, during this time the service has successfully onboarded the staff from Church Village laundry into NWSSP. This onboarding has seen the complete removal of agency staff by offering staff substantive positions within the service.

Work continues with the conversion of the Carmarthen laundry into a hub with the recent removal of the laundry equipment some of which has been repurposed in the other 4 laundries further improving their resilience.

In July 2024, the North Wales laundry production unit successfully achieved accreditation the Decontamination standard BS14065 which demonstrates the linen produced meets the required biological standard of cleanliness.

Both Swansea and Greenvale will be assessed this financial year while work continues in Church Village.

The service has recently experienced a series of major equipment failures in multiple sites, these failures were rectified with little or no impact to its customers demonstrating the value of the four units working together.

### **Medical Examiners Service**

Regulations for the Death Certification Reforms were laid in parliament, including the introduction of a statutory Medical Examiner system on the 15th April 2024. The legislation came into force on Monday 9 September 2024 meaning independent scrutiny by a Medical Examiner will become a statutory requirement prior to the registration of all non-coronial deaths in England and Wales from this date. We are currently working with partners to ensure that data disclosure agreements are updated to reflect the change.

### **Accommodation Update**

The continued lack of engagement by the landlord for our new HQ site has unfortunately caused us to cease negotiations and alternative options are being explored. Staff have been informed and in the short-term we are extending leases on Companies House and Charnwood Court to the end of April 2025 and December 2026 accordingly and making some changes to the layout of the lower floor in Charnwood House. The risk associated with this development has been added to the Corporate Risk Register.

### **System Developments**

I continue to attend the Future NHS Workforce Solution Transformation Programme which is overseeing the new solution that will build on the current Electronic Staff Record (ESR) system in support of the NHS People Plan and the wider NHS workforce policies. The procurement phase is nearing completion with the aim of awarding a contract to the successful supplier by spring 2025.

We continue in discussions with the provider of the Primary Care Workforce Intelligence System regarding the extension of the current contract to March 2025 whilst the new build is being negotiated and we are evaluating the options available to us. Due to the delays experienced we have added this as a risk to the Corporate Risk Register.

The Project Board continues to oversee the decommissioning of the National Health Application and Infrastructure Services (NHAIS) system and work package options are being progressed with Digital Health and Care Wales (DHCW).

## **Personal Protective Equipment (PPE)**

The latest PPE stock position continues to be reported to SSPC for information. We continue to work closely with Welsh Government colleagues to ensure that NWSSP holds the level of stock requested by Welsh Government.

Work continues to respond to extensive requests from Module 5 of the Covid-19 Public Inquiry with challenging timescales and we continue to support the Director of Procurement and Health Courier Services.

NWSSP continues to receive information requests from the Covid-19 Public Inquiry, for which NWSSP is listed as a core participant for Module 5 Procurement focussing on our role in the provision of PPE. Providing requested evidence is a considerable undertaking and I am mindful of the pressures this creates on senior Procurement staff in particular. Recent extensive requests from the Inquiry with challenging timescales have been responded to within agreed timescales which has required a considerable amount of the time of the Director of Procurement and Health Courier Services and a number of other colleagues supporting our submissions.

## **Medicines Buffer Stock**

NWSSP procurement staff are currently discussing purchasing plans with suppliers with a view to establishing the required stockpile as quickly as possible without creating any shortages in the market. These medicines are all purchased through existing all Wales contracts.

## **Staff Movement Advice App**

From October 2024 the first All-Wales Recovery of Salary Overpayments Procedure comes into effect which is a significant step forward in dealing consistently throughout Wales with salary overpayments when they occur. As part of our work to help prevent salary overpayments happening in the first place we have currently piloting a staff movement advice app which is intended to make it easier for managers to notify terminations and other changes more quickly and easily to payroll.

## **Supporting our staff**

The safety of our staff, along with all service users who access its care and support, is of paramount importance. The work of Anti-Violence Collaborative Wales supports all our colleagues and service users to respond when an incident happens. Launch events for Employee Investigations: Putting our People at the Heart of our Processes are coming up in North and

South Wales which further demonstrates our commitment to continuing to evolve how we put our people at the heart of what we do.

### **Corporate Parenting Charter**

As an organisation NWSSP has signed up to become one of Wales' "corporate parents" which is a commitment to working with Welsh Government to ensure that care-experienced children and young people have the same life chances and experiences as all other children and young people in Wales.

### **Armed forces covenant**

I am pleased that NWSSP became a fully-fledged Armed Forces Covenant employer in August 2024 and that we are now looking to become a Silver Award recognised Armed Forces employer in Wales, showing our commitment to support for the armed forces community across a number of different areas.

### **Staff Awards**

After a successful run of regional events in 2023/24 we are now seeking nominations for this year's awards which are a great opportunity to shine a spotlight on those who go above and beyond and show our appreciation for the exceptional efforts that make our workplace thrive.

### **2024/25 Pay Award**

Arrangements are being made with IBM to process the updates to the ESR system in order to process back pay and update salary information for the uplift in November.

### **Development Activity**

The Autumn Development Day for SSPC on 11 October was well attended by members of the Committee and the NWSSP Senior Leadership Team, with sessions on risk appetite, the operation of the Committee, Welsh Risk Pool and IMTP planning generating some great discussion and input from all involved.

### **Staffing Update**

There are no changes to senior staffing to report.

**Neil Frow OBE**  
**Managing Director, NWSSP**  
**October 2024**

**Date issued:** October 2024

## Audit Wales update for the NWSSP Audit Committee – October 2024

### Introduction

- 1 This document provides the NWSSP Audit Committee with an update on current and planned Audit Wales work, together with information on the Auditor General's recent publications together with the work of our Good Practice Exchange (GPX).

### Audit & Assurance work update

- 2 Our audit and assurance work for 2023-24 at NWSSP is complete and our findings are included in a separate report to the Committee.
- 3 The assurance work for 2024-25, to support NHS external audits, will commence early 2025. At this stage, it is expected that the scope of our assurance work will mirror our 2023-24 programme of work.
- 4 The Committee has requested that we continue to provide assurance on the work of Internal Audit. This has been explored with our Law and Ethics team and they have confirmed that we cannot provide any non-audit services. As NHS external auditors do not currently require assurance on the work of IA we are therefore unable to do this work.

### General Audit Wales Update

- 5 Other areas of Audit Wales activity of potential interest are outlined below for your information.
- 6 For latest news and updates you can also [subscribe to our newsletter](#).

### Good practice events and products

- 7 We continue to seek opportunities for finding and sharing good practice from all-Wales audit work through our forward planning, programme design and good practice research. Up to date details of future events are available on our GPX [webpages](#).

### Recent Audit Wales Publications

8 The following national reports and outputs have been published since the last update paper:

Title	Publication Date
<a href="#">Councils use of performance information</a>	July 2024
<a href="#">Digital strategy review</a> within the local government sector	August 2024
<a href="#">Affordable Housing</a>	September 2024
<a href="#">Active travel</a>	September 2024

9 We have also recently published our [fee scale consultation for 2025-26](#) and our audited [2024-25 annual report and accounts](#).

# Management Letter - NHS Wales Shared Services Partnership

Audit year: 2023-24

Date issued: September 2024

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at [infoofficer@audit.wales](mailto:infoofficer@audit.wales).

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

# Contents

Our work did not identify any issues concerning the services provided by the NHS Wales Shared Services Partnership (NWSSP) and we were able to provide positive assurances to NHS external audit teams on the activities of NWSSP.

## **Summary report**

Introduction	4
Issues arising from the audit	4
Recommendations	6

# Summary report

## Introduction

- 1 The Auditor General is responsible for providing an opinion on whether each NHS body's financial statements represent a true and fair view of the state of its financial affairs as at 31 March 2024.
- 2 The audit teams of each individual health body are responsible for undertaking audit work to enable the Audit General to provide his opinion and in doing so they determine the audit and assurance work required on the services provided by the NHS Wales Shared Services Partnership (NWSSP). This audit assurance work is undertaken by the Velindre University NHS Trust audit team.
- 3 During April 2024 we presented a paper to the NWSSP Audit Committee – 2023-24 Audit Assurance Arrangements – setting out the external audit assurance work that would be undertaken on the various services provided by the NWSSP to the various NHS bodies across Wales.
- 4 The paper explained that the scope of our assurance work for 2023-24 had been revised compared to what had been completed in prior years. This was in response to changes in the level and scope of assurances required by NHS external auditors.
- 5 In this report we outline the findings identified from this work in respect of:
  - Primary Care Services (NWSSP – PCS);
  - Employment Services (NWSSP – ES);
  - Procurement Services (NWSSP – PS); and
  - Legal and Risk Services (NWSSP – LARS) which includes Welsh Risk Pool Services (WRPS).
- 6 We will issue a separate report detailing the findings from our review of the nationally hosted NHS IT Systems.

## Issues arising from the audit

- 7 Our work did not identify any issues that prevented auditors relying on services provided by NHS Wales Shared Services Partnership (NWSSP).
- 8 The scope of our work and our high-level findings in respect of each of the services subject to our review are outlined below for information.

### Primary Care Services (PCS)

- 9 Local Health Board audit teams planned to place reliance on specific key controls within the general medical services (GMS) and general pharmaceutical services (GPS) systems. We therefore documented and evaluated the controls in place for these systems and also completed testing upon the GMS controls.

- 10 The controls tested were found to be operating effectively overall and could therefore be relied upon by local NHS audit teams.

## **Employment Services**

- 11 Our assurance work focussed on the documentation and assessment of the:
- the key controls within the payroll system operated by NWSSP for the two teams located within Companies House; and
  - the arrangements in place concerning the Single Lead Employer payroll including how NWSSP recharges NHS bodies for these costs.
- 12 No issues were identified from this work.

## **Procurement and Accounts Payable Services**

- 13 Our assurance work focussed on the approval arrangements in respect of contracts exceeding £1 million, awarded by the Procurement Unit in NWSSP. We found no cases of contracts exceeding £1m being awarded without Welsh Government approval.
- 14 We also considered and documented the key controls within the accounts payable system operated within NWSSP. There are no issues to report to NWSSP concerning this work.

## **Legal and Risk Services (LARS)**

- 15 The local audit teams at each NHS body need to consider ISA 500 – Audit evidence – to assess the adequacy of NWSSP’s Legal and Risk Services as a management expert for the purposes of their audits. To support this, we considered the arrangements in place at NWSSP against the requirements of ISA 500. Based on the work undertaken, we did not identify any issues that would prevent auditors relying on NWSSP – LARS’s work as a management expert.

## **Recommendations**

- 16 There are no recommendations arising from our 2023-24 work.



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We welcome correspondence and telephone calls in Welsh and English.  
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

# Nationally Hosted NHS IT Systems – NHS Wales Shared Services Partnership

Audit year: 2023-24

Date issued: September 2024

Document reference: 4492A2024

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

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# Contents

The IT controls we examined assured us that financial values produced by the systems for 2023-24 were likely to be free from material misstatement, although some controls could be strengthened.

## Summary report

Summary 4

## Detailed report

The Prescription Pricing System's controls support the production of information that is free from material misstatement 7

The National Health Application and Infrastructure Service system's control support the production of information that is free from material misstatement, system replacement is expected to be completed in 2024-25 8

The Family Practitioner Payment System's controls support the production of information that is free from material misstatement

The Oracle FMS's IT controls support the production of information that is free from material misstatement although some controls could be strengthened 9

The ESR Payroll's Shared Services system administration controls support the production of information that is free from material misstatement 10

Recommendations 12

## Appendices

Appendix 1 – issues and recommendations arising from the review of National Hosted NHS IT Systems in prior audit years and in 2023-24 – NHS Wales Shared Services Partnership 14

# Summary report

## Summary

- 1 NHS bodies in Wales are responsible for preparing financial statements that give a true and fair view of the state of their financial affairs as at 31 March 2024. They must ensure that they are properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made thereunder by Welsh Ministers. NHS bodies are also responsible for preparing Annual Governance Statements in accordance with guidance issued by HM Treasury and the Welsh Government.
- 2 The Auditor General is responsible for providing an opinion on whether each NHS body's financial statements represent a true and fair view of the state of its financial affairs as at 31 March 2024.
- 3 NHS Wales has a variety of arrangements in place to provide and support IT systems used for financial reporting purposes. Since June 2012, Velindre University NHS Trust (the Trust) has hosted the NHS Wales Shared Services Partnership (NWSSP) and is responsible for its governance and accountability.
- 4 This report covers the national NHS IT applications and infrastructure which NWSSP manages for use by other NHS organisations in Wales. These systems include the:
  - Prescription Pricing System (formerly known as the Community Pharmacy System) which is used to process prescriptions and calculate reimbursement for pharmacy contractor payments. This system is used by the Prescription Services Team of Primary Care Services (PCS).
  - National Health Application and Infrastructure Services (NHAIS) or Exeter, used for communicating NHS demographics and to the FPPS for calculating primary care General Medical Services contractor payments. NHS Digital in NHS England manages and supports the NHAIS system software for use in NHS Wales. Digital Health and Care Wales (DHCW) manage and support the NHAIS IT infrastructure used in NHS Wales.
  - Family Practitioner Payment System (FPPS) which is used calculating primary care General Medical Services (GMS) contractor payments, for example, the 'global sum' or 'capitation' payments for GP patient registrations. Northern Ireland NHS service manage and host the FPPS and the service is provided to NHS Wales under an service level agreement.
  - Oracle Financial Management System (FMS) is supplied by a third party called Version One and managed for NHS Wales by the Central Team e-Business Services (CTeS) within the NWSSP. The Oracle FMS is used by NHS Wales as the main accounting system for managing and producing the NHS accounts.
  - Electronic Staff Record (ESR) systems administration is the responsibility of each individual Local Health Board and Trust through delegated responsibility passed to NWSSP via a Service Level Agreement (SLA). Payroll access by

NWSSP Employment Services to process the payroll in Wales is managed in accordance with the Trust's ESR system access process. The ESR Payroll system is managed and hosted nationally by IBM on behalf of NHS England and NHS Wales under a managed service contract.

- 5 International Auditing Standard (ISA) 315 requires us to obtain an understanding of the general IT and application controls of the financial systems used by NHS Wales. As part of the National Hosted NHS IT Systems audit plan, Audit Wales reviewed the above-mentioned systems during 2023-24 and followed up our prior audit recommendations in these areas. This work reviews the ICT environment and application controls that are applied to the National Hosted NHS IT Systems solely for the purposes of providing assurance for NHS audit opinions. We have taken the opportunity to identify actions that, in our view, would help NHS Wales improve its governance and use of these systems.
- 6 This work is undertaken to identify potential risks which may include:
  - out-of-date and unsupported infrastructure;
  - access security arrangements that leave the system vulnerable to unauthorised access and attack;
  - loss or unauthorised access of data; and
  - change control procedures which are inadequate meaning that the system could be compromised or unavailable following the application of a new patch, upgrade or release of the database or the application software or infrastructure change.
- 7 We have therefore undertaken a review that sought to answer the question: **'Can auditors be assured that the IT system controls are such that financial values are likely to be free from material misstatement?'**
- 8 **We concluded that the IT controls applied to the Prescription Pricing, National Health Application Infrastructure, Family Practitioner Payment System, Oracle Financials systems and ESR Payroll systems administration managed by NHS Wales Shared Services, were sufficiently effective to allow financial auditors to take assurance that financial values produced by the systems for 2023-24 were likely to be free from material misstatement. However, NWSSP could strengthen some controls.**
- 9 In summary, the reasons for this conclusion are set out below:
  - the Prescription Pricing System's controls support the production of information that is free from material misstatement;
  - the National Health Application and Infrastructure Service system's controls support the production of information that is free from material misstatement, system replacement is expected to be completed in 2024-25;
  - The Family Practitioner Payment System's controls support the production of information that is free from material misstatement;

- the Oracle FMS's IT controls support the production of information that is free from material misstatement although some controls could be strengthened; and
  - the ESR Payroll's Shared Services system administration controls support the production of information that is free from material misstatement.
- 10 This report summarises the more detailed matters arising from our audit, our recommendations made from this year's audit and our follow-up of last year's recommendations.

# Detailed report

## The Prescription Pricing System's controls support the production of information that is free from material misstatement

- 11 We have identified no significant IT application or infrastructure issues likely to result in a material misstatement within the Prescription Pricing System. However, we identified some issues that should be addressed by Primary Care Services in order to minimise the potential for future application and infrastructure system risks. From our IT work in 2023-24, we have identified one recommendation to NWSSP for improvement. This is outlined below:
  - review and update the Prescription Pricing System IT Disaster Recovery plans to reflect the move to the NHS Church Village data centre. Test the system recovery to provide assurance IT systems and data can be recovered on a timely basis.
- 12 NWSSP have made some progress to address prior year IT recommendations made for improvement and some of these remain in progress. Further details of our findings and progress against actions for the Prescription Pricing System agreed with Primary Care Services officers can be found in **Appendix 1**.

## The National Health Application and Infrastructure Service system's controls support the production of information that is free from material misstatement, system replacement is expected to be completed in 2024-25

- 13 We have identified no significant issues within the NHAIS system likely to result in a material misstatement. However, from prior year's work we have identified some issues that should be addressed by NWSSP in order to minimise the potential for future application and infrastructure system risks. From our work in 2023-24 we have identified no new areas for improvement for NWSSP.
- 14 NHAIS functionality for the processing 'engine' for calculating the 'global sum' or 'per capitation' payments were replaced in April 2022 by NWSSP with the implementation of the Family Practitioner Payment System (FPPS). NHAIS is still relevant in the GMS processing for calculating primary care General Medical Services contractor payments as it is used for communicating NHS demographics and to the Family Practitioner Payments System.
- 15 Plans to decommission the NHAIS system and ensure continuity of continuing NHAIS services required have been agreed with both DHCW and NHS Digital. We understand the NHAIS is being decommissioned by the end of 2024. NHS England and NHS Digital are decommissioning NHAIS. NWSSP were required, in 2023-24 to work jointly with DHCW to support these preparations, where necessary, on the system replacement options and Welsh requirements. NHAIS will be replaced by a number of other systems and NHS Digital have developed the demographic registration and reporting systems required to replace NHAIS demographics functionality for NHS England.
- 16 NWSSP have made progress to address prior year IT recommendations made for improvement and some of these remain in progress. Further details of our findings and progress against actions for the NHAIS system agreed with Primary Care Services officers can be found in **Appendix 1**.

## The Family Practitioner Payment System's controls support the production of information that is free from material misstatement

- 17 We have identified no significant IT application or infrastructure issues likely to result in a material misstatement within the Family Practitioner Payment System. However, we identified some issues that should be addressed by Shared Services in order to minimise the potential for future application and infrastructure system risks.
- 18 The Family Practitioner Payment System (FPPS) was implemented by NWSSP in April 2022. The FPPS is developed and provided by the Business Services Organisation (BSO) in the Northern Ireland NHS. FPPS is managed by a specialist IT Services (ITS) department and supplied under a documented 'Services Agreement' with NHS Wales. FPPS is used in calculating primary care General Medical Services (GMS) contractor payments, for example, the global sum capitation payments. The FPPS has a Welsh specific IT environment or domain and we have covered those IT controls relevant to this, the majority of which operate at the BSOITS.
- 19 From our IT work in 2023-24, we have identified one recommendation to NWSSP for improvement. This is outlined below:
  - review NWSSP FPPS user access accounts on a regular basis, for example at least annually, to ensure the access account is required and appropriate to the user's role and responsibilities. This task can be undertaken by the system administrators or line managers.
- 20 NWSSP have made progress to address prior year IT recommendations made for improvement and some of these remain in progress. Further details of our findings and progress against actions for the FPPS system agreed with Primary Care Services officers can be found in **Appendix 1**.

## The Oracle FMS's IT controls support the production of information that is free from material misstatement although some controls could be strengthened

- 21 We have identified no significant IT application or infrastructure issues likely to result in a material misstatement within the Oracle FMS. However, we identified some issues that should be addressed by the Oracle Central Team e-Business Services in order to minimise the potential for future application and infrastructure system risks. From our IT work in 2023-24, we have identified a number of recommendations to NWSSP for improvement. These are outlined below:
- review and update the Oracle ledger IT Disaster Recovery plans to reflect the new Oracle Cloud Infrastructure based technology and platform used and the recovery and testing scenarios required to provide assurance NHS ledger IT systems and data can be recovered on a timely basis; and
  - review and risk assess the updated Oracle application cyber and security arrangements with the planned October 2024 move to the Oracle Cloud Infrastructure including an IT system 'penetration' and network vulnerability test.
- 22 NWSSP have made progress to address prior year IT recommendations made for improvement and some of these remain in progress. Further details of our findings and progress against actions for the Oracle FMS agreed with Shared Services can be found in **Appendix 1**.

## The ESR Payroll's Shared Services system administration controls support the production of information that is free from material misstatement

- 24 The Electronic Staff Record (ESR) Payroll system is managed and hosted nationally by IBM on behalf of NHS England and NHS Wales under a managed service contract. We have reviewed the ESR Payroll systems administration controls (payroll elements only) managed by NWSSP. This responsibility includes managing user access to the payroll system in Wales by the NWSSP Employment Services staff who process the Welsh NHS organisations' payrolls. In addition to seeking to place reliance on the International Standard on Assurance Engagements (ISAE) 3000 report of the IBM Service Auditor noted below, Audit Wales IM&T auditors have reviewed the controls in place over the ESR Payroll systems administration managed under a delegated authority by NWSSP, Employment Services.
- 25 We have not identified any significant IT issues likely to result in a material misstatement within these ESR Payroll systems' administration controls. From our work in 2023-24, we have identified one recommendation to NWSSP for improvement. This is outlined below:
- document and issue ESR payroll user guidance on what makes a good passwords or passphrase.
- 26 We sought to place reliance on the ISAE 3000 report of the IBM Service Auditor, Grant Thornton, on the general IT controls applied at IBM. Grant Thornton conducted the review in accordance with the ISAE 3000 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information'. For the period 1 April 2023 to 31 March 2024, Grant Thornton concluded that the ESR payroll general IT controls and environment were overall suitably designed and operated effectively. Grant Thornton have issued an unqualified opinion on all of the control objectives covered in scope, no exceptions were noted or identified from their testing. Grant Thornton have made no recommendations for the NHS ESR Central Team and IBM to strengthen the IT controls used by the NHS ESR Central Team and IBM.
- 27 Further details of our findings and progress against actions for the ESR Payroll systems administration control agreed with Shared Services can be found in **Appendix 1**.

## Recommendations

28 **Exhibit 1** sets out the recommendations that we have identified in 2023-24. NWSSP should take action to address these recommendations. The appendix to this report also sets out progress made against all the previously reported recommendations that remain in progress and ones that have been completed in 2022-23.

### Exhibit 1: 2023-24 recommendations

Recommendations
<p><b>Prescription Pricing System</b></p> <p>R 2023-24.01</p> <p>Review and update the Prescription Pricing System IT Disaster Recovery plans to reflect the move to the NHS Church Village data centre. Test the system recovery to provide assurance IT systems and data can be recovered on a timely basis.</p>
<p><b>NHAIS</b></p> <p>No IT recommendations raised in 2023-24 due to the system replacement plans by the end of 2024.</p>
<p><b>FPPS</b></p> <p>R 2023-24. 02</p> <p>Review NWSSP FPPS user access accounts on a regular basis, for example at least annually, to ensure the access account is required and appropriate to the user's role and responsibilities. This task can be undertaken by the system administrators or line managers.</p>
<p><b>Oracle FMS</b></p>

## Recommendations

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R 2023-24. 03

Review and update the Oracle ledger IT Disaster Recovery plans to reflect the new Oracle Cloud Infrastructure based technology and platform used and the recovery and testing scenarios required to provide assurance NHS ledger IT systems and data can be recovered on a timely basis.

R 2023-24. 04

Review and risk assess the updated Oracle application cyber and security arrangements with the planned October 2024 move to the Oracle Cloud Infrastructure including an IT system 'penetration' and network vulnerability test.

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## ESR Payroll system IT controls

R 2023-24. 05

Document and issue ESR payroll user guidance on what makes a good passwords or passphrase.

# Appendix 1

## Issues and recommendations arising from the review of National Hosted NHS IT Systems in prior audit years and in 2023-24 – NHS Wales Shared Services Partnership

### Exhibit 2: issues and recommendations from 2023-24

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
<b>Prescription Pricing System – IT controls work</b>						
2023-24 - 01	We were made aware during our fieldwork of the plans to move the Prescription Pricing System (PPS) server infrastructure from the Cardiff Companies House data centre to the NHS Digital Health Care Wales	Review and update the Prescription Pricing System IT Disaster Recovery plans to reflect the	Medium	Yes	Ceri Evans - Head of Primary Care Services	<b>Management comment</b>  <b>Work in progress</b>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	<p>(DHCW) Church Village data centre. The move of the server infrastructure was planned for late Summer 2024.</p> <p>It is good practice to update IT Disaster Recovery (DR) planning arrangements after a major change to the IT system, technology and infrastructure used. Plans should be tested to ensure they work as intended should they be needed in the event of a major IT continuity incident.</p>	<p>move to the NHS Church Village data centre. Test the system recovery to provide assurance IT systems and data can be recovered on a timely basis.</p>				<p>Relocation of the hosting infrastructure to the national data centre will be complete by February 2025. The DR plan will be refreshed in line with this timescale. A DR plan test will be completed by June 2025.</p>

**Family Practitioner Payment System – IT controls work**

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
2023-24 - 02	<p>There are 33 NWSSP Primary Care Services users of the FFPS. We identified during our fieldwork that there are no regular and scheduled reviews of user access rights, to check that user access is still required, appropriate for the system user to complete their role and job functions.</p> <p>Instead, there is a reliance on users being set up with the correct access when the user account is created. User access are susceptible and prone to expanding over time as officers take on more roles and responsibilities.</p>	<p>Review NWSSP FPPS user access accounts on a regular basis, for example at least annually, to ensure the access account is required and appropriate to the user's role and responsibilities. This task can be undertaken by the system administrators or line managers.</p>	Medium	Yes	Ceri Evans - Head of Primary Care Services	<p><b>Management comment</b></p> <p><b>Completed</b></p> <p>Process review undertaken resulting in implementation of new application process/procedure.</p>

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	It is good practice to regularly review user access accounts to ensure these are required and reduce the risk of inappropriate access to IT systems and data.					
Oracle FMS System – IT controls work						
2023-24 - 03	The Oracle ledger IT Disaster Recovery (DR) plan was tested annually to provide assurance the IT ledger system could be recovered from backups when needed. The last Oracle ledger IT DR test completed was in November 2022 due to the	Review and update the Oracle ledger IT Disaster Recovery plans to reflect the new Oracle Cloud Infrastructure	Medium	Yes	Stuart Fraser – Associate Programme Director - CTeS	<b>Management comment</b>  <b>Work in progress</b>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	<p>planned move to the IT Oracle Cloud Infrastructure (OCI) in October 2024.</p> <p>We were informed by the Oracle Central Team e-Business Services that the new OCI platform has new resilience and 'failover' arrangements in place and this brought an opportunity to identify and understand the system recovery requirements on the new OCI platform used.</p> <p>It is good practice to update IT disaster recovery planning arrangements after a major change to the IT system, technology and infrastructure used. Plans should be tested to ensure they work as</p>	<p>based technology and platform used and the recovery and testing scenarios required to provide assurance NHS ledger IT systems and data can be recovered on a timely basis.</p> <p>Test the Oracle IT DR plans to ensure system recovery works as intended.</p>				<p>This work is scheduled for September and October 2024 as part of the overall Migration Project. Version 1 will build the DR environments and the NHS will test DR and process. Following the exercise and factoring in the lessons learnt, documentation will be updated and a schedule of DR exercises agreed for 2025. DR may be an annual event of a</p>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	intended should they be needed in the event of a major IT continuity incident.					series of scenario events throughout 2025. DR documentation planned to be in place before 21st Oct 24.
2023-24 - 04	The Oracle application is planned to move from the C&V UHB data centre to the Oracle Cloud Infrastructure (OCI) in October 2024. The OCI is located in the Virtus data centre in Slough, England.	Review and risk assess the updated Oracle application cyber and security arrangements with the planned October 2024	Medium	Yes	Stuart Fraser – Associate Programme Director - CTES	<p><b>Management comment</b></p> <p><b>Work in progress</b></p> <p>As part of the implementation, a</p>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	<p>The Oracle Central Team e-Business Services (CTES) should review cyber and security arrangements around the new OCI technology platform including a cyber risk assessment of the network communication links to the new OCI platform and new data centre arrangements. This should also include a system ‘penetration’ and network vulnerability testing the application on the new cloud infrastructure.</p> <p>A cyber and security risk assessment would identify and assess risks arising and mitigating actions that should be put in place to manage IT risks arising.</p>	<p>move to the Oracle Cloud Infrastructure including an IT system ‘penetration’ and network vulnerability test.</p>				<p>cloud security report has been generated to address possible areas that could be exploited. In addition as part of the national DHCW wider programme to monitor key services Oracle will be included. This tool is called Sentinel.</p> <p>Target date by end March 2025.</p>

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
ESR Payroll System – IT controls work						
2023-24 - 05	<p>We identified in our fieldwork that ESR user passwords or passphrases can be a minimum of 12 characters in length. Certain words and key phrases are not allowed to be used in the passwords e.g. ones that relate to their name, position and role.</p> <p>NWSSP Employment Services have not provided ESR users with documented guidance, including</p>	Document and issue ESR payroll user guidance on what makes a good passwords or passphrase.	Medium	Yes	Angela Jones – Deputy Director for Digital and Workforce Productivity Solutions	<p><b>Management comment</b></p> <p><b>Work in progress</b></p> <p>There are already several pieces of guidance for ESR users when setting passwords. Each</p>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	<p>worked examples, on what makes a good strength password or good practice passphrases when setting ESR user accounts.</p> <p>Passwords or passphrases should be hard to guess so they are at least adequate strength.</p> <p>Good password and passphrase disciplines reduce the risk of unauthorised access to IT systems and data.</p>					<p>guide instructs the user of what structure a good password should have. However, it is recognised that including a link to advice from the National Cyber Security Centre [NCSC] will strengthen the guidance further. Signposting to NCSC guidance will ensure users receive the most up to date information as it is published. All NWSSP</p>

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
						ESR guidance will be immediately reviewed and updated accordingly.

### Exhibit 3: issues and recommendations from prior audit years

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
<b>Prescription Pricing System – IT controls work</b>						
2022-23 - 01	<p>A PPS IT Disaster Recovery (DR) plan is in place that is updated annually. The last update was in Q1 2023. During our fieldwork we noted that the policy is to test the IT DR plan every two years and the last test was undertaken in February 2022.</p> <p>It is good practice to test IT DR plans annually, every 12 months or sooner as major changes to the IT environment are implemented and installed.</p>	Complete an annual IT Disaster Recovery (DR) test.	Medium	Yes	Ceri Evans - Head of Transaction Services	<p><b>Completed</b></p> <p>A DR plan test has been carried out within the capacity restrictions of the current environment. The plan is being refreshed to account for the move to national data centre hosting by February 2025.</p>

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
2022-23 - 02	Reviews of user access take place at least annually and more often informally. However, it was identified during discussions with NWSSP officers managing the PPS that access rights both at user and privileged level access could be made more granular so that system access rights are closely aligned with job functions and roles. This is good practice to match access rights to the job requirements so these are appropriate and do not go beyond what is needed for specific roles.	Review the feasibility of making user access rights more granular so they are a better match and relevant the individual user's role and responsibilities.	Medium	Yes	Simon Johnson-Reynolds - Service Improvement Manager	<b>Completed</b>  Completed in April 2024. Development completed to create new user profiles.
2021-22.02	We identified that a review of user access rights to the prescription pricing system does not take place	Review user access rights to the prescription pricing system on a	Medium	Yes	Simon Johnson-Reynolds -	<b>Completed</b>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	<p>on a regular basis, for example, at least annually.</p> <p>This is good practice to ensure that users have appropriate access rights, and that any potential leavers, or inactive users are identified and their access amended appropriately.</p>	<p>regular basis, for example, at least annually, to ensure that users have appropriate access rights, and that any potential leavers, or inactive users are identified and their access amended appropriately;</p>			<p>Service Improvement Manager</p>	<p>Added to Processing Manager's end of processing month procedure to check Admin Desktop to review access levels.</p>

**National Health Application and Infrastructure Services – IT controls work**

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
2022-23 - 03	DHCW send a user access activity report to NWSSP NHAIS systems administrators to monitor and review access, the access report could not be located and it was unclear whether the control has not been undertaken in 2022-23.	Review the user access reports produced of NHAIS system activity to ensure access is appropriate.	Medium	Yes	Ceri Evans - Head of Primary Care Services	<b>Completed</b>  Process review undertaken and new application process/procedure implemented

**Family Practitioner Payment System (FPPS) – IT controls work**

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
2022-23 - 04	<p>During our audit of the FPPS system and the cyber security controls helping to protect the system from vulnerabilities we identified a number of areas where potential improvements to strengthen arrangements could be made:</p> <ul style="list-style-type: none"> <li>• BSOITS did not have an IT security accreditation, for example, Cyber Essentials</li> <li>• a Cyber Security Incident Response (CIRP) plan was not in place</li> <li>• Other industry standard cyber security tools and software, for example, a Security Incident and</li> </ul>	<p>Request that the supplier, BSOITS, strengthen cyber security controls by:</p> <ul style="list-style-type: none"> <li>• a) consider obtaining a Cyber Essentials (CE+) certification, or equivalent, to help reduce potential cyber security risks;</li> <li>• b) documenting and testing a Cyber Incident Response Plan (CIRP); and</li> <li>c) consider introducing additional cyber security software such as Security Incident and Event Monitoring (SIEM) or Security Operations</li> </ul>	Medium	Yes (agreed in principle subject to plans and work underway)	Ceri Evans - Head of Primary Care Services – actions already in place.	<p><b>Work in progress</b></p> <p>For Action A &amp; C, requirements are being progressed by BSOITS to strengthen cyber security controls.</p> <p>A review of progress will be undertaken at the February 2025 meeting of the Service Management Board.</p> <p>Action B, a Cyber Incident Response Plan (CIRP) is now in place across the</p>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
	<p>Event Monitoring (SEIM) and Security Operations Centre (SOC) were not yet used. These help identify, analyse and monitor cyber threats real-time.</p> <p>We were made aware by BSOITS that cyber security improvement plans were being reviewed and the above areas were being considered as part of this exercise.</p>	<p>Centre (SOC) that covers the FPPS environment.</p>				<p>NIHSC and BSO ITS have their own local Response Plan. Since the recommendation in May 2023 this was tested in a table-top exercise.</p>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
2022-23 - 05	<p>An FPPS IT Disaster Recovery (DR) plan is in place but it was unclear when it was last updated. DR plans should be regularly updated, for example, at least annually or more often as changes are made to the IT environment.</p> <p>We were made aware during our fieldwork that the IT DR plan was last tested in January 2021. It is good practice to test IT DR plans at least annually.</p>	Update and test IT Disaster Recovery (DR) plans for the FPPS.	Medium	Yes	Ceri Evans - Head of Primary Care Services – actions already in place	<p><b>Completed</b></p> <p>Completed on 29 December 2023. Next review and test is planned November 2024.</p>

Issues identified during IT audit work						
Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
<b>Oracle Financial Management System – IT controls work</b>						
2020-21.03	<p>CTES has completed and a gap analysis assessment of the Oracle FMS to the Information Security Management Standard (ISO 27001) to identify potential improvement areas.</p> <p>The outcome will be a set of recommendations for implementation during 2021-22.</p> <p>It is good security management practice to assess and baseline a comparison to the ISO 27001 standard.</p>	<p>Complete the accreditation to the Information Security Management Standard (ISO 27001) to identify potential improvement areas.</p>	Medium	Yes	Stuart Fraser – Head of CTeS	<p><b>Completed / Closed</b></p> <p>It was agreed at the August 2023 Oracle STRAD group meeting that this accreditation would no longer be pursued.</p>

**Issues identified during IT audit work**

Ref	Issue	Recommendation	Priority	Agreed	NWSSP responsibility	NWSSP actions & current status – September 2024
2020-21.04	<p>CTES provides FMS services to the consortium of Welsh NHS organisations. It is good practice IT service management to conform or be accredited to the Information Technology Service Management (ISO 20000) standard.</p> <p>CTES have completed the gap analysis and we were informed during our fieldwork that they aim to complete accreditation during 2021-22 cycle.</p> <p>CTES consider there are benefits to complete accreditation to the Information Technology Service Management (ISO 20000) standard for service management.</p>	Complete CTES accreditation to the Information Technology Service Management (ISO 20000) standard for service management.	Medium	Yes	Stuart Fraser – Head of CTES	<p><b>Completed</b></p> <p>ISO 20000 audit took place on 26 April 2023 and full accreditation of the standard has since been attained in 2023.</p>





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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

# NHS WALES SHARED SERVICES PARTNERSHIP

## Audit Committee

October 2024

### Audit & Assurance Services Internal Audit Progress Report

## **CONTENTS**

- 1.** Introduction
- 2.** Outcomes from Finalised Audits
- 3.** Planning & Delivery Update
- 4.** Other Internal Audit Activity & Engagement
- 5.** New Global Internal Audit Standards

## **Appendix A - Assignment Status Schedule 2024-25**


## 1. Introduction

The purpose of this report is to highlight the progress with the delivery of Internal Audit Plan to the Audit Committee and outcomes from reports finalised audit since the previous meeting.

## 2. Outcomes from Finalised Audits

The Internal Audit reports that have been finalised since the previous meeting of the committee are highlighted in the table below along with the allocated assurance ratings where applicable.

The full versions of these reports are included on the agenda as separate items.

ASSIGNMENT	ASSURANCE RATING
NHS Building for Wales Framework Invitation to Tender Stage	 Reasonable

## 3. Planning and Delivery Update

The audit status schedule highlighting progress with the delivery of the Internal Audit Plan for 24/25, is shown in Appendix A.

In addition to the finalised and draft audit reports, audit fieldwork in currently under way for a number of audits including IT/Digital Service Management, Accounts Payable, Variable Pay and Stores Stock Orders. The audits of Payroll, Recruitment and Health & Safety are curtly at the planning stage.

## 4. Other Internal Audit Activity & Engagement

Ongoing liaison and planning meetings have continued to take place in this period including with the Assistant Director of Corporate Services. Meetings with other Directors and senior managers have taken place as part of the planning and delivery of individual audits.

Following the implementation of a new electronic audit system (ESRA), the Audit & Assurance Division has been reviewing and updating the audit report template with a view of implementing a revised version during the current audit year.

## 5. New Global Internal Audit Standards (GIAS)

In January 2025 new Global Internal Audit Standards (GIAS) will become effective. The body that sets Internal Audit Standards for UK Public Sector Organisations, the UK Public Sector Internal Audit Standards Advisory Board (the IASAB), has determined that the new Standards will apply to Public Sector audits from 1 April 2025 to align with the financial year. As the new Standards have been developed to apply to all sectors, the IASAB will be producing a practice note setting out any sector specific interpretations or other material needed to make them suitable for UK public sector use.

The new GIAS requirements seek to elevate internal audit practice in five domains that cover the profession's purpose, ethics and professionalism, governance, management and performance.

We are currently undertaking preparatory work to understand the impact of the new GIAS on our work, and to ensure that we can appropriately apply these standards from 1 April 2025.

At this point we do not anticipate that there will be many changes needed to our audit approach.

However, one potential change is around how we monitor and evidence the implementation of agreed management actions.

We will update the Committee at the next meeting if we identify that any other changes are needed to our approach.

### Appendix A: NWSSP Assignment Status - 2024/25 Internal Audit Plan

Audit	Status	Assurance Rating	Matters Arising			Timing	Lead Director	Audit Committee
			H	M	L			
NHS Building for Wales Framework Invitation to Tender Stage	Final	Reasonable	-	2	1	Q1/2	Specialist Estates Services	Oct
Accounts Payable	WIP					Q2-4	Finance & Corporate Services	
Employment Services - Payroll	planning					Q2-4	People, O.D & Employment Services	
Primary Care Contractor Services	Planning					Q2-4	Primary Care Services	
Procurement Services Capital Equipping	Draft					Q2	Procurement Services	
Procurement Services - Stores and Stock Orders	WIP					Q2/3	Procurement Services	
Recruitment Services	Planning					Q2-4	People, O.D & Employment Services	
Risk Management						Q3/4	Finance & Corporate Services	
Variable Pay	WIP					Q2/3	Finance & Corporate Services	
Health & Safety	Planning					Q3	Finance & Corporate Services	

Audit	Status	Assurance Rating	Matters Arising			Timing	Lead Director	Audit Committee
			H	M	L			
Contract Management						Q3	Finance & Corporate Services	
IT /Digital – Service Management	WIP					Q2	Planning, Performance & Informatics	
IT /Digital – Strategy Implementation						Q3	Planning, Performance & Informatics	
Decarbonisation follow up (need to consider this during the year linked to All Wales position.)						Q3/4	Specialist Estates Services	
CIVAS/Medicines Unit						Q2/3	Service Director	



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# NHS Building for Wales Framework Invitation to Tender Stage Final Internal Audit Report

August 2024

NHS Wales Shared Services Partnership

# Contents

Executive Summary ..... 4

1. Introduction ..... 6

2. Detailed Audit Findings ..... 6

Appendix A: Management Action Plan..... 12

Appendix B: Assurance opinion and action plan risk rating ..... 18

Review reference:	SSP SSU 2425 14
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Draft report issued:	11 July 2024
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Final report issued:	12 August 2024
Auditors:	NWSSP: Audit & Assurance - Specialist Services Unit (SSu)
Executive sign-off:	Stuart Douglas, Director Specialist Estates Services
Distribution:	Neil Frow, Managing Director Alison Ramsey, Director of Finance James Quance, Assistant Director Corporate Services Andrew Waddington, Head of Building for Wales Johnathan Simcock, Framework Manager Carly Wilce, Business Support Manager
Committee:	Shared Services Audit Committee



Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

## Acknowledgement

NHS Wales Audit and Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

## Disclaimer notice - please note

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of NHS Wales Shared Services Partnership and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with NHS Wales Shared Services Partnership. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

## Executive Summary

### Purpose

The purpose of the audit was to evaluate the processes and procedures put in place by NHS Wales Shared Services Partnership: Specialist Estates Services (NWSSP: SES) for the next generation of the NHS Building for Wales framework arrangements. This review focussed on the systems and controls in place in respect of the Invitation to tender stage (ITT) and follows the Pre-Qualification Questionnaire (PQQ) stage of the renewal process that was reported to the Shared Service Audit Committee (Audit Committee) in January 2024.

### Overall Audit Opinion and Overview

It was clear that lessons had been learned from previous framework renewal exercises and the previous internal audit review undertaken at the PQQ stage, which were incorporated into the current ITT stage e.g. external consultation on the performance of previous frameworks, updating of evaluator guidance etc. Also, ongoing professional advice and engagement with NWSSP: Legal Services and NWSSP: Procurement Services was evident.



However, the review highlighted a potential delay of five months from that previously reported at the PQQ report (see **table 1 & 2.7**). This was primarily attributed to the ongoing engagement with Welsh Government in respect of the framework approval.

Other key matters arising at the review include:

- One of the three additional declaration of interest forms for the ITT stage needed to be completed in full.
- The planned lessons learned exercise should incorporate items such as the appraisal of third-party engagement, standardisation of evaluator returns, and budgetary considerations.

Accordingly, noting general compliance with procurement procedures and NWSSP legal & procurement support, **Reasonable assurance** has been determined at this review.

### Report Classification

		Trend
<p><b>Reasonable</b></p> 	<p>Some matters require management attention in control design or compliance.</p> <p><b>Low to moderate impact</b> on residual risk exposure until resolved.</p>	

### Assurance Summary <sup>1</sup>

Assurance objectives	Assurance
1 Performance (Time, Cost and Quality)	Reasonable
2 Planning Arrangements	Substantial
3 Implementation Process	Reasonable
4 Approval Process	Substantial

<sup>1</sup> The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

Key Matters Arising	Assurance Objective	Control Design or Operation	Recommendation Priority
2 All remaining declarations of Interest forms should be fully completed.	3	Operation	Medium
3 A full lesson learned exercise should be undertaken that considers, for example, third-party engagement, standardisation of evaluator returns, and budgetary considerations etc.	3	Operation	Medium

## 1. Introduction

- 1.1 This review was undertaken to evaluate the processes and procedures put in place by NHS Wales Shared Services Partnership: Specialist Estates Services (NWSSP: SES) to procure the next generation of NHS Wales construction frameworks – titled 'NHS Building for Wales 2' (NHSBfW). The audit was commissioned in accordance with the 2024/25 agreed Internal Audit Plan.
- 1.2 The new framework arrangements are based on an initial four-year contract with the option to extend by up to additional two years; and covers the Supply Chain Partner, Project Manager, Cost Adviser and Supervisor roles.
- 1.3 The new frameworks will remain a mandated requirement for all NHS organisations in Wales for the procurement of all major capital construction projects with a construction value (works cost) of over £7 million (including enabling works but excluding VAT).
- 1.4 The potential risks considered at this review included:
  - Non-compliance with national and local procurement requirements;
  - The failure to achieve the required quality; and
  - Inadequate governance and management arrangements that may put the objectives of the procurement at risk.
- 1.5 This was the second audit of the current procurement process and focused on the arrangements in place at the Invitation to Tender (ITT) stages. The previous review covered the Pre-Qualification Questionnaire stage (PQQ) and received an overall reasonable assurance rating.

## 2. Detailed Audit Findings

- 2.1 Our detailed audit findings are set out below. All matters arising and the related recommendations and management actions are detailed in **Appendix A**.

**Performance:** *To obtain assurance that the framework renewal was progressed in line with the agreed programme dates, budget allowances and quality arrangements.*

- 2.2 Levels of assurance are determined on whether the original key delivery objectives are achieved and that governance, risk management and internal control within the area under review are suitably designed and applied effectively.
- 2.3 At this second audit of the framework renewal process (the ITT stage), when assessing progress against the original delivery objectives (time, cost and quality), the following was evidenced:

Time

- 2.4 NHSBfW frameworks were originally programmed to go live on 26th April 2024 i.e. before the expiry of the current frameworks. During our first review of the PQQ process, delays had been highlighted mainly due to the drafting of contracts taking longer than at previous frameworks. Accordingly, all the time contingency provided within the programme had been fully utilised.
- 2.5 The latest update of the programme (May 2024) highlighted that initially good progress had been made in bringing back valuable tolerance into the programme e.g. ITT bid and evaluation receiving approval and ratification via NHS Wales Shared Services Partnership Committee and the Velindre NHS Trust Board in a timely manner. However, a subsequent further prolongation due to the ongoing engagement and scrutiny by Welsh Government had led to a minimum two-month delay to the anticipated contract execution.

2.6 **Table 1**

Key Milestone	Milestone Date (October 2022)	Milestone Date (PQQ Audit Report)	Milestone Date (May 2024)
ITT Bid & Evaluation Strategic Framework Board Approval	9 <sup>th</sup> November 2023	27 <sup>th</sup> March 2024	6 <sup>th</sup> March 2024
Shared Services Partnership Committee: Ratification	-	-	21 <sup>st</sup> March 2024
Velindre Board: Ratification	-	-	26 <sup>th</sup> March 2024
Contract Award Notice	9 <sup>th</sup> November 2023	8 <sup>th</sup> March 2024	3 <sup>rd</sup> June 2024
Contract Execution: Completion	16 <sup>th</sup> January 2024	26 <sup>th</sup> April 2024	16 <sup>th</sup> July 2024
Velindre Contract Execution: Completion	30 <sup>th</sup> January 2024	10 <sup>th</sup> May 2024	23 <sup>rd</sup> July 2024

- 2.7 Further delays were anticipated until at least September 2024, as approval had yet to be formally provided by Welsh Government (as of week commencing 1<sup>st</sup> July 2024), equating to an additional delay from previously reported at the PQQ review of circa five months.
- 2.8 NWSSP: SES issued a "*Specialist Estates Services Notification 24/08*" on the 30<sup>th</sup> of April 2024 to Chief Executives and Directors of Planning within all NHS

organisations, advising of delays to the new framework and potential alternatives that may be utilised in the interim.

Cost

2.9 The budget allocation for 2023/24 highlights the following:

**Table 2**

Item	Estimated Budget excluding VAT (2023/24 financial year)	Actual excluding VAT (2023/24 financial year)
PQQ/ITT Evaluators	£15,000	£9,990
Legal and Risk advice	£10,000	£18,203
Framework Launch	£2,500	£0
Contingency	£3,000	£0
<b>Total</b>	<b>£30,500</b>	<b>£28,192</b>

2.10 The 2023/24 project budget highlighted an overall underspend position. However, there was a significant overspend against the forecast legal advice budget due to contract drafting clarifications (previously reported at PQQ stage). We have recommended that the project’s costs/budget are reviewed as part of the planned lessons learned exercise (see **MA3**).

Quality

2.11 Constructing Excellence in Wales (CEW) were appointed in April 2021 (i.e. prior to the procurement exercise commencing), to undertake an independent consultation with Health Boards, Trusts, Welsh Government and Framework Partners on the existing framework’s performance. This identified several common themes/requirements for consideration at the refresh of the framework. The overriding message was that frameworks were the preferred mechanism for procuring construction services.

2.12 NWSSP: SES had also engaged with the wider market, including national contractors, Welsh small and medium sized Enterprises (SMEs), the P23 framework in England, and framework Scotland to share best practice and quality outcomes prior to the commencement of the current procurement process.

2.13 Following the consultation process, several changes were made to the previous framework e.g. increased measures in the event of negative Key Performance Indicator performance. This demonstrated ongoing learning from previous frameworks and demonstrated good practice.

- 2.14 During the ITT stage of the procurement exercise, NWSSP: SES engaged with multiple parties to ensure an appropriate quality management process was applied i.e., engagement with both NWSSP Legal and Risk Services and NWSSP Procurement Services to provide ongoing support and advice. We noted that staff turnover within Procurement Services had resulted support being reduced whilst a replacement was sought, however this had no material adverse impact during the period.
- 2.15 Other quality management processes were defined within the Project Initiation Document i.e., a lesson learned review to be undertaken three months after the framework commences operation.
- 2.16 Noting the above, **reasonable assurance** has been determined in respect of the performance for the ITT stage of the procurement process.

**Planning Arrangements:** *Assurance that appropriate engagement and communication channels were implemented to ensure that instructions, guidance etc. during the ITT stage were managed appropriately including buy-in from the Health Boards, Trusts and Special Health Authorities.*

- 2.17 Lessons had been learned from the PQQ exercise in respect of the increased engagement/ communication with Health Board/Trusts. This included:
- An updated evaluator pack including evaluation score rationale check sheets.
  - Enhanced monitoring of evaluator progress on completing evaluations.
  - Regular program reviews.
- 2.18 A team of evaluators had been assembled from NWSSP, Health Boards and external parties (CEW). Whilst not all Health Boards/Trusts provided representation, good practice was noted with the inclusion of representation from CEW.
- 2.19 A risk register had been established and maintained throughout the ITT process that had enhanced the ability to manage uncertainties, and achieve project outcomes by identifying, analysing and responding to risks.
- 2.20 Quarterly updates had been provided to the Strategic Framework Board on progress with the implementation of the new framework; these were referenced within the Strategic Framework Board minutes.
- 2.21 Recognising that lessons had been learned from the PQQ stage and informed the ITT stage, **substantial assurance** has been determined in respect of the planning arrangements.

**Implementation Process:** *The invitation, receipt, opening and evaluation processes were appropriately defined; with appropriate records maintained to provide an adequate trail should the process be challenged by any external party.*

- 2.22 A Memorandum of Information (MoI) was issued for the shortlisting phase of the NHSBfW (note this was prior to the PQQ stage). The MoI provided guidance on the shape of the frameworks and the associated procurement process that was to be applied.
- 2.23 Declarations of interest forms had been circulated to evaluators and other individuals involved in the procurement process. Three additional individuals were onboarded following the PQQ process to aid capacity in scoring. However, one individual's form had not been fully completed (see **MA2**).
- 2.24 The procurement process utilised the Bravo Solution eTendering package, together with NWSSP Procurement Services standing procedures for controlling the tender process (including invitation, opening, clarification, communication etc).
- 2.25 Clarification logs were maintained by NWSSP: SES and issued via a broadcast message within the Bravo system in a timely manner.
- 2.26 Welsh Government's e-procurement tool noted that the 'Award' Commerce Decision Tool is complementary to the Bravo solution, and enables the evaluation of large, complex, sensitive tenders, where the evaluation panels are geographically dispersed, amongst other benefits. At previous iterations of the framework, the 'Award' software package had been utilised due to the complexity/sensitivity of the tender submissions. The 'Award' tool was not implemented for NHSBfW due to budgetary constraints. As part of the planned lessons learned exercise management should include a review to determine whether the change in approach resulted in a material impact on programme, cost and/or the resource required (see **MA3**).
- 2.27 To mitigate the above, a series of controls had been established to manage the evaluation process in accordance with NWSSP procurement procedures. These were highlighted within the evaluation and assessment principles detailed within the MoI. This included a consensual scoring matrix that was discussed and agreed at the evaluator panel meeting. We noted that, based on advice, management decided that these meetings would not be minuted. It has been recommended that at future lettings, consensual scores should be signed by participants, to confirm the scores determined and to provide an appropriate audit trail (see **MA3**).
- 2.28 Although an effective control framework had been established, lessons can be learned to help inform future iterations of the framework. Recognising this, **reasonable assurance** has been determined in respect of the implementation process.
-

**Approvals:** *The ITT evaluation culminated in a formal recommendation to award that was subject to the appropriate approvals.*

- 2.29 A report was tabled at the Strategic Framework Board (6<sup>th</sup> March 2024) highlighting successful/unsuccessful candidates for the framework including the scores generated by the evaluation panel decisions.
- 2.30 The proposal was subsequently submitted to the NWSSP Shared Services Partnership Committee (SSPC) on the 21<sup>st</sup> of March 2024 and was endorsed for Welsh Government to authorise the establishment of the frameworks.
- 2.31 A closed session of the Velindre University NHS Trust Board held on the 26<sup>th</sup> of March 2024 agreed (subject to Welsh Government approval) to enter into contract.
- 2.32 Recognising that a formal approval process was in place and that delays in formal agreement have been assessed as part of the performance section of this report, **substantial assurance** has been determined for the approval processes applied.

## Appendix A: Management Action Plan

Matter Arising 1: Programme Completion – Delays (Operation)	Impact
<p>The programme completion date (as of May 2024) was for final contract execution on 23<sup>rd</sup> July 2024 - a circa 2-month extension from that reported at the prior audit (report submitted to Audit Committee January 2024).</p> <p>Further delays beyond July 2024 were expected due to ongoing engagement with Welsh Government, with contract execution unlikely until September 2024. The programme risk register for the ITT stage had been regularly updated and risk 5 <i>“The project will drift beyond the programmed dates”</i> had seen the score increased to reflect the current circumstances.</p> <p>An action was noted within the risk register:</p> <p><i>“SES to appraise Strategic Framework Board of updated programme for contract award and execution following receipt of WG approval (that is now expected in July '24) due to proximity of summer holiday period impacting engagement from all key stakeholders.”</i></p> <p>We note that there are still uncertainties regarding a definitive programme with formal approval from Welsh Government pending. Whilst noting the anticipated delays, management confirmed that this would have no impact on the baseline framework rates submitted by bidders.</p>	<p>Potential risk of:</p> <ul style="list-style-type: none"> <li>• Extensions of timescales leading to a period where no national frameworks are available to Health Boards/Trusts.</li> </ul>
Recommendations	Priority
<p>1 Once formal approval is received to proceed, the programme timescale should be finalised, aligned with key activities e.g. contract execution, and formally communicated to the Strategic Framework Board.</p>	<p><b>Low</b></p>

Agreed Management Action	Target Date	Responsible Officer
1 Agreed. Actioned. Formal approval from Welsh Government has been received with a revised program (contract execution planned for October 2024) now in place.	N/A	N/A

Matter Arising 2: Governance Arrangements – Declarations of Interests (Operation)		Impact
<p>Declarations of interest are a key part of ensuring independence during a procurement process. A standard declarations of interest form had been produced and was operating.</p> <p>The form articulates the following:</p> <p><i>"Employees/ individuals will not be permitted to participate in any aspect of the procurement... or making recommendations in respect of the procurement ... unless they confirm, by signing this form, that they agree to be bound by those rules and instructions and that the statements set out below are correct."</i></p> <p>Three additional individuals had been onboarded following the PQQ process to aid capacity in scoring. Of these, one declaration of interest form had not been fully completed e.g. multiple statements including the below had not been confirmed as correct.</p> <p><i>"Neither I, my family, friends or acquaintances, will receive any benefit or gain (financial or otherwise, directly or indirectly) if the contract is awarded to any of the bidders involved in the process as they become known."</i></p> <p>We noted that whilst the overarching form had been signed, and management had taken active steps to re-confirm the submission, at the time of review this resubmission had yet to be received.</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> <li>• Non-alignment with the Nolan Principles of Public Life (Openness &amp; Objectivity).</li> <li>• The governance framework associated with the procurement process may not operate effectively.</li> </ul>
Recommendations		Priority
<p>2 Management should ensure that the identified declarations of interest form is completed in full and retained centrally.</p>	<p style="text-align: center;"><b>Medium</b></p>	
Agreed Management Action	Target Date	Responsible Officer

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2	Agreed. Actioned. Outstanding DOI has been resupplied.	N/A	N/A
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Matter Arising 3: Quality Mechanism– Lessons Learned (Operation)	Impact
<p>Quality management processes were defined within the Project Initiation Document at the outset and included a lesson learned review to be undertaken three months after the framework commences operation. Whilst not requiring retrospective actions or material to the current opinion, the following issues should be considered as part of any lessons learned exercise or as stand-alone items (these may have potentially impacted on time, cost and quality of the programme delivery):</p> <ol style="list-style-type: none"> <li>1. An appraisal of the third-party engagement including Health Boards (resource commitment noting the ITT process was undertaken during quarter 4 of 2023/24), Legal, Procurement and industry advisers to analyse effectiveness.</li> <li>2. The standardisation of evaluators’ returns. An ITT evaluator pack issued (December 2023) that outlined the ITT team structures/procedures and evaluation pack reference guide. We noted the guidance was detailed, however, there were varying degrees of detail from within the evaluators’ submissions. Standardisation would avoid any potential perceived variance in quality of scoring.</li> <li>3. A cost benefit analysis of not utilising the Award’ commerce decision tool (applied at the previous iteration of the framework) should be undertaken. This tool should be considered in terms of the additional internal resource requirement versus potential budgetary saving. We note that the use of the ‘Award’ tool was raised in our previous report (January 2024) with management taking action to increase the level of control during the ITT stage.</li> <li>4. An increased audit trail that documents the results of agreed consensual scoring following the panel meetings e.g. signing the document in meeting or via email to confirm an accurate record.</li> </ol>	<p>Potential risk of:</p> <ul style="list-style-type: none"> <li>• Missed opportunity for improvement.</li> <li>• Loss of knowledge for future exercises e.g. Valuable knowledge and insights can be lost when employees leave the organisation if there is no formal documentation and sharing process.</li> </ul>

Recommendations		Priority	
3.1	A full lesson learned exercise should be undertaken that was set out in the quality management section of the Project Initiation Document; with the results formally documented and reported to an appropriate forum.	<b>Medium</b>	
3.2	Consideration should be given to gaining documented approval that the consensual scoring was agreed within the panel meetings.	<b>Medium</b>	
Agreed Management Action	Target Date	Responsible Officer	
3.1	Agreed. A Post Project Evaluation exercise will be undertaken, and a formal report submitted to Strategic Framework Board.	May 2025 (to align with the available Strategic Framework Board meetings).	Head of Building for Wales
3.2	Agreed. Panel members will be asked to confirm accuracy of consensual score.	September 2024	Head of Building for Wales

## Appendix B: Assurance opinion and action plan risk rating

### Audit Assurance Ratings

We define the following levels of assurance that the project achieves its key delivery objectives and that governance, risk management and internal control within the area under review are suitable designed and applied effectively:

	<b>Substantial assurance</b>	Few matters require attention and are compliance or advisory in nature. <b>Low impact</b> on residual risk exposure.
	<b>Reasonable assurance</b>	Some matters require management attention in control design or compliance. <b>Low to moderate impact</b> on residual risk exposure until resolved.
	<b>Limited assurance</b>	More significant matters require management attention. <b>Moderate impact</b> on residual risk exposure until resolved.
	<b>Unsatisfactory assurance</b>	Action is required to address the whole control framework in this area. <b>High impact</b> on residual risk exposure until resolved.
	<b>Assurance not applicable</b>	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

### Prioritisation of Recommendations

We categorise our recommendations according to their level of priority as follows:

Priority level	Explanation	Management action
<b>High</b>	Poor system design OR widespread non-compliance. Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in system design OR limited non-compliance. Some risk to achievement of a system objective.	Within one month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. Generally issues of good practice for management consideration.	Within three months*

\* Unless a more appropriate timescale is identified/agreed at the assignment.



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# Audit & Assurance Services - Quality Assurance and Improvement Program 2023/24

## Internal Audit Report

September 2024



GIG  
CYMRU  
NHS  
WALES

Partneriaeth  
Cydwasaethau  
Gwasanaethau Archwilio a Sicrwydd  
Shared Services  
Partnership  
Audit and Assurance Services



## Contents

1.	<i>Introduction</i>	4
2.	<i>Approach</i>	4
2.1	<i>External Quality Assessment</i>	5
2.2	<i>Quality Reviews of Audit Files</i>	5
2.3	<i>Audit Satisfaction Surveys</i>	7
2.4	<i>Key Performance Indicators</i>	7
2.5	<i>Audit Committee Self-Assessments</i>	8
2.6	<i>Audit Wales Review</i>	8
2.7	<i>Conformance Self-Assessments</i>	8
2.8	<i>Formal meetings with Chairs of Audit Committees and Board Secretaries</i>	9
2.9	<i>Audit Approach</i>	10
3.	<i>Other Quality Assurance and Improvement Areas</i>	10
3.1	<i>Wider Role of Director of Audit &amp; Assurance/Heads of Internal Audit</i>	10
3.2	<i>QAIP Approach for 2023/24</i>	10
	<i>Appendix A: Quality Reviews 2022/23 Exceptions/Differences</i>	11

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Executive sign off:	Neil Frow, Managing Director NWSSP
Distribution:	Audit Committee Chairs and Board Secretaries
Committee:	NWSSP Audit Committee 25 October 2024



Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy

### Acknowledgement

NHS Wales Audit & Assurance Services would like to acknowledge the time and co-operation given by management and staff during this review.

### Disclaimer notice - please note

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared in accordance with the agreed audit brief and the Audit Charter, as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the NHS Wales Shared Services Partnership and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

## 1. Introduction

This paper sets out the Quality Assurance and Improvement Programme (QAIP) for 2023/24 and the approach and work for 2024/25.

The QAIP is a requirement of the Public Sector Internal Audit Standards (PSIAS).

## 2. Approach

Audit & Assurance's Quality Manual states:

"The Director of Audit & Assurance must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity (Standard 1300). This should include internal and external assessments (standards 1311 and 1312)."

In 2023, we had the mandatory External Quality Assessment (EQA) which was undertaken by The Chartered Institute of Public Finance and Accountancy (CIPFA). As an EQA is required at least once every five years, we will need to have another one in place by March 2028 at the latest.

A new set of Global Internal Audit Standards are being introduced from January 2025 and will apply to the UK Public Sector from 1 April 2025. Guidance to support the implementation of the new Standards within the UK Public Sector is being produced by the UK's Internal Audit Standards Advisory Board and is due to be completed late in 2024. We are undertaking work to ensure that we comply fully with the new Standards from 1 April 2025.

The external assessment covers:

1. Update on the 2023 External Quality Assessment undertaken by CIPFA (Section 2.1).

The internal assessment covers:

2. Quality Reviews - organisation focussed reviews to ensure each NHS organisation and Head of Internal Audit, together with our Capital & Estates and Digital & IT Teams are covered (2.2)

In addition, there is other information that supports the QAIP:

3. Results of Audit Satisfaction Surveys (a survey is sent after each audit) (2.3)
4. Key Performance Indicator Outcomes (2.4)
5. Audit Committee assessments of their own effectiveness that include Internal Audit (2.5)
6. Audit Wales Review (AW) (2.6)
7. Head of Internal Audit 'Conformance Statements' (2.7)
8. Formal meetings with Chairs of Audit Committees and Board Secretaries (2.8)
9. Other relevant information (2.9 & Sections 3.1 to 3.2).

## 2.1 Update on the External Quality Assessment Actions

An External Quality Assessment (EQA) needs to be undertaken at least once every five years to comply with the Public Sector Internal Audit Standards (PSIAS). In March and April 2023, the Chartered Institute of Public Finance & Accountancy undertook the assessment. The key findings of their assessment were:

- "It is our opinion that the self-assessment for the NHS Wales Shared Services Partnership's Audit and Assurance Service is accurate, and we therefore conclude that the Audit and Assurance Service FULLY CONFORMS to the requirements of the Public Sector Internal Audit Standards;"
- All 11 individual subsets of standards (the 4 Attribute Standards and the 7 Performance Standards) were also assessed as fully conforming to the PSIAS;
- 9 audit files were reviewed (at least one per Head of Internal Audit) and no issues were identified; and
- Feedback received from 12 Audit Committee Chairs and Board secretaries was positive about the internal audit service provided by NWSSP Audit & Assurance.

The report noted two advisory findings:

- 1). It was suggested we repeat the point about having no impairments to our work in the annual report and opinion which we did for the 2022/23 and then the 2023/24 year-end annual reports and opinions; and
- 2). That we need to prepare for the introduction of the new Global Internal Audit Standards in 2025. We set a specific IMTP objective for 2024/25 covering the implementation of the new Standards and we are undertaking work currently to ensure that we comply fully with them from 1 April 2025.

As a reminder, the EQA report was submitted to the NWSSP Audit Committee in April 2023 and subsequently shared with all NHS Wales organisations.

## 2.2 Quality Reviews of Audit Files

A sample of 16 audit files were reviewed (note: 16 out of 294 delivered audits for 2023/24 equates to 5.5%).

The sample of 16 covered:

- one review at each NHS Wales Organisation (12 reviews)
- one review at NWSSP (1 review) and
- two reviews of audits undertaken by our Capital & Estates and Digital & IT Teams (2 reviews)
- one audit of Llais (1 review).

There were three audits undertaken for WHSSC and EASC – none of these have been reviewed in 2023/24.

The reviews comprise:

- 1). Checking that the audit file has completed correctly and fully.
- 2). Reviewing evidence to support the completion of the checklist.
- 3). Product reading of the final report/output.
- 4). Follow-up questions with HIAs/Lead Auditors.
- 5). Production of a summary note.

A list of the audits reviewed is included in the table below.

<b>No.</b>	<b>Organisation</b>	<b>Review Title (file reference)</b>	<b>Rating</b>
1	ABUHB	Clinical Coding (AB-2324-15)	Reasonable
2	BCUHB	Health Board Savings – Follow-up (BC-2324-16)	Limited
3	CVUHB	Alcohol Standards (CV-2324-21)	Limited
4	CTMUHB	Deprivation of Liberty Safeguards (CTM-2324-07)	Reasonable
5	HDUHB	Transforming Urgent & Emergency Care – Discharge Management (HD-2324-05)	Limited
6	SBUHB	Mental Health – 111 Service (SB-2324-15)	Limited
7	PTHB	Infection Prevention & Control (PT-2324-06)	Reasonable
8	PHW	Finance – Use of Procurement Cards (PHW-2324-05)	Reasonable
9	Velindre	Medicines Management (VEL-2324-11)	Reasonable
10	WAST	Clinical Audit (WAST-2324-01)	Reasonable
11	DHCW	Follow-up of Internal Audit Recommendations (DHCW-2324-04)	Reasonable
12	HEIW	Core Financial Systems (HEIW-2324-08)	Reasonable
13	NWSSP	Accounts Payable (NWSSP-2324-01)	Reasonable
14	Llais	Governance & Risk Management Arrangements (LLA-2324-01)	Reasonable
15	Capital Team	Estates Condition (AB-SSU-2324-02)	Limited
16	Digital Team	Cyber Security (BC-2324-07)	Substantial

Overall, the results were positive and demonstrated a high level of quality consistent with recent years. However, in a small number of instances, discussions were needed with the Head of Internal Audit to confirm findings and minor exceptions were noted. The results of the reviews will continue to be built into both our ongoing training around audit quality and our new Electronic Working Papers system which went live in April 2024 for the 2024/25 audit year.

The exceptions, communicated to the Heads of Internal Audit/Head of Specialist Services in September 2024, are covered at Appendix A.

Based on the reviews undertaken, there were no specific matters that needed to be reported in the Annual Head of Internal Audit opinion in terms of compliance with the PSIAS.

### 2.3 Audit Satisfaction Surveys

Audit satisfaction surveys are sent out at the conclusion of each audit. Response rates are increasing but are still relatively low, and they do differ by organisation. Copies of the survey are retained on the individual audit files. A summary of the response rates and findings are included in each Head of Internal Audit Opinion.

In addition, we receive feedback through regular meetings with both Executives and Audit Committees.

We continue to work with health bodies to improve the response rates to the surveys as this can be a key driver in helping to improve the focus and outcomes of audits.

In addition, we have made a small number of changes to our Post Audit Questionnaires to reflect feedback from the Client Service Accreditation process in early 2024.

### 2.4 Key Performance Indicators

At the end of June 2024 (when all Final opinions were issued), revised KPIs for 2023/24 showed:

KPI	SLA	Target	Overall
Audit plans agreed [2023/24]	√	100%	100%
Audit opinions/annual reports compiled [2023/24]	√	100%	100%
Audits reported over total planned audits *	√	95%	96%
Work in progress	No	N/A	4%

Report turnaround fieldwork to draft reporting [10 days]	√	90%	89%
Report turnaround management response to draft report [15 days]	√	80%	68%
Report turnaround draft response to final reporting [10 days]	√	80%	99%

In 2023/24 we delivered 294 outputs (300 in 2022/23) to support the Head of Internal Audit Opinions and other reporting for the 13 NHS Bodies we audit (7 Health Boards, 3 Trusts, HEIW, DHCW, and NWSSP). There were also 4 audits produced for Llais.

There were changes agreed to the plans of all NHS bodies during the year with audits and reviews being added and removed. In all cases, these changes were approved by the relevant Audit Committee.

In terms of the delivery of the audit programme, we are often asked to delay reviews until late in the financial year. We are happy to accommodate this, but it does mean that we sometimes need to use contractor staff to ensure delivery which does increase costs. The KPIs for each NHS organisation are reported in each progress report and in their individual Head of Internal Audit Opinion.

## 2.5 Audit Committee Self-Assessments

Each year, Audit Committees will produce an annual report of their own activities and undertake a self-assessment against key criteria set out in the HFMA Audit Committee Handbook. Results of this work, which includes an assessment of Internal Audit, are used to help inform Audit & Assurance’s forward strategy at both a Directorate and individual HB/Trust/SHA level.

## 2.6 Audit Wales

The Director of Audit & Assurance meets regularly with both Audit Wales NHS Audit Director to ensure that the Internal Audit work is co-ordinated, where appropriate, with the work of Audit Wales. Heads of Internal Audit also meet regularly with the relevant Audit Wales leads for each health board, Trust and Special Health Authority to ensure work is co-ordinated effectively.

## 2.7 Conformance Self-Assessments

Each year, all Heads of Internal Audit/Specialist Services Unit (SSu) complete a self-assessment against the PSIAS which is submitted to the Director of Audit & Assurance for review. After review, the self-assessments are discussed with the relevant Head of Internal Audit/SSu if there are any matters requiring attention.

Overall, there are very few highlighted areas of ‘partial compliance’ (and none of ‘does not comply’) from the self-assessments either from ticking a specific box or

from the narrative. This is in line with previous years and reflects, in part, the successful outcome of the External Quality Assessment in March 2023.

The only areas of identified partial conformance, related to:

- 1). The HIA not interacting directly with the Board (function delegated to Audit Committee);
- 2). Assessing the costs of assurance in relation to the potential benefits.

In terms of actions against each of these areas, we propose/are already doing:

- 1). The only action we take formally on this, is to note it as the PSIAS assumes 'delegation' of some key roles.
- 2). In terms of the cost/benefit analysis of our performance, we have:
  - a range of KPI measures, covering economy, efficiency and effectiveness;
  - produced a number of all-Wales summary reports to further the sharing of good practice and common issues;
  - developed an audit database which records all the audits undertaken since April 2018 in terms of the opinions given, recommendations made, area of focus, themes and risks identified. The database is fully interactive and can be used to highlight good practice and common challenges, as well as measuring performance over time.

We are also looking at introducing more outcome focused based KPIs and we will be undertaking specific work in a couple of areas to measure the cost and impact/benefits of assurance work.

## 2.8 Formal meetings with Chairs of Audit Committees and Board Secretaries

During 2023/24, the Director of Audit & Assurance met with the Directors of Corporate Governance and Chairs of Audit Committee groups on a number of occasions.

Areas discussed included:

- Progress on the 2023/24 audit programmes
- The format of the annual opinion for 2023/24
- The new Global Internal Audit Standards
- Changes to the approach for audit planning for 2024/25
- Recommendation monitoring and tracking
- Quality based KPIs

- Themes emerging from audit work across NHS Wales
- Demonstration of the audit database
- Internal Audit's IMTP.

There is a small sub-group of the Directors of Corporate Governance who meet regularly with the Director of Audit & Assurance to discuss and support areas of focus.

Further meetings with these key peer groups are planned in 2024/25. In addition, the Director of Audit & Assurance has also met with several Chairs, Chief Executives, Finance Directors, Executive Directors and Boards during the year.

## 2.9 Audit Approach

We have made no changes to our audit approach in 2023/24.

For 2024/25 (beginning 1 April 2024) we introduced a new Electronic Working Paper (EWP) system to replace 'TeamMate'. This system is being used (along with Sharepoint) to record all our audit work. Our new EWP has been developed in house and has considered the likely impact of the new Global Internal Audit Standards being introduced to the UK Public Sector from 1 April 2025.

## 3. Other Quality Assurance and Improvement Areas

### 3.1 Wider Role of Director of Audit & Assurance/Heads of Internal Audit

The Director of Audit & Assurance is an observer on the Public Sector Internal Audit Standards Advisory Board and a member of the Wales Public Sector Heads of Internal Audit Forum. He is also an Independent Member of the Audit Committee of Bristol City Council. One of the Heads of Internal Audit is a member of Caerwent Community Council in Monmouthshire.

### 3.2 QAIP Approach for 2024/25

The QAIP approach for 2024/25 will include (in addition to the standard areas):

1. Follow up of previous QAIPs
2. A detailed assessment of the impact of our new EWP
3. Continued assessment of the impact of the new Global Internal Audit Standards.

## Appendix A: Quality Reviews 2023/24 Exceptions/Differences

### **Quality Reviews 2023/24 – Exceptions and differences noted:**

#### **Independence, Objectivity, and Competency (Q1 – 3)**

No specific comments other than to note that external support was only used on a few of the audits. We currently have 4 auditors working with us on contract, all of whom have worked with us for some time and have relevant backgrounds (2 are agency staff and 2 are employed through the NHS Bank).

#### **Engagement Planning (Q4 – 9)**

Several audit files had good planning aid documents for the areas under review which gave background on sometimes complex areas.

None of the audit files reviewed were advisory reviews so the consulting protocol did not need to be completed.

#### **Performing the Engagement (Q10 – 11)**

Q10 – it was clear, generally, how the findings recorded on the file linked to the findings in the report (draft and final). For example, where the number of issues recorded did not match the number of recommendations made in the report, it was clear how they had been merged or where additional information had cleared the original finding. Evidence recorded on files was generally to a high standard. This was consistent with previous years.

In most instances, testing on the file was split and recorded by audit objective. However, in a few instances, all testing was done under one file section. While this still demonstrated that all the objectives had been covered it was less clear than when the testing had been recorded by objective.

#### **Supervision and Review (Q12 – 13)**

Q13 – Head of Internal Audit Final Review was clear in most cases, and this is consistent with previous years. In a couple of instances, the Deputy Head of Internal Audit had completed the final review, and this was due to either the Head of Internal Audit being away, or the Head of Internal Audit having been involved directly in the audit work.

Q13 – There are small differences in the way each team uses the structure and steps to record evidence of work done and the findings, for example, the use of 'Current Issues' and 'Formulate Findings'. In addition, teams have added additional schedules and matrices where appropriate.

### **Reporting (Q14)**

No specific comments, other than to say I thought the quality of the reports was good and a number contained examples of good and comparative practice.

### **Completion (Q15 – 16)**

Q15 – All teams now use the checklist to demonstrate that process and quality checks have been performed before the issue of the draft/final reports. In a few instances, I think that files could have been signed-off as complete more quickly than they were (after the Final Report and the issue of a management feedback request).

Q16 – We have sought feedback for most reviews, but only a couple had any evidence on file of the feedback. However, all reports do go through to Audit Committee, which acts as a measure of the quality and relevance of our work. In addition, some teams now use Microsoft Forms to collect feedback, but evidence of this being done was not included on the audit file.



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**NHS WALES  
Shared Services Partnership  
(NWSSP)**

**Counter Fraud Progress Report Q2  
01/07/2024 – 30/09/2024**

**Mark Weston  
Local Counter Fraud Manager  
NHS Wales Shared Services Partnership**

## TABLE OF CONTENTS

1. Introduction
2. Summary
3. Fraud Awareness Activity
4. Referrals/Enquiries/Investigations
5. Local Proactive Exercises
6. Other

## 1. Introduction

In compliance with the Secretary of State for Health's Directions on Countering Fraud in the NHS, this report provides details of the work carried out by the NHS Wales Shared Service Partnership (NWSSP) Local Counter Fraud Manager.

The report's format has been adopted, in consultation with the Director of Finance and Corporate Services, to update the Audit and Assurance Committee about counter fraud referrals, investigations, activity and operational issues.

## 2. Summary

The Counter Fraud Annual Plan 2024/2025 was completed and approved by the Director of Finance and Corporate Services and submitted for Audit and Assurance Committee approval on 16<sup>th</sup> April 2024.

At 30<sup>th</sup> September 2024, 103.75 days of Counter Fraud work have been completed against the agreed 210 days in the Counter Fraud Annual Work-Plan for the 2024/25 financial year. In summary the days have been used dealing with ongoing fraud investigations, 2 new cases fraud referrals were received during the last quarter, both are being investigated by NHS CFS Wales due to the value of each case.

Fraud Awareness activity was mainly focussed on 3 sessions to new starters.

The breakdown of these days in Q1 – Q2 are as follows:

Type	Q1	Q2	Total
Proactive	37.25	36.25	73.5
Reactive	11.5	18.75	30.25
<b>Total</b>	48.75	55	103.75

NWSSP continue to employ 1.0 WTE Local Counter Fraud Manager to provide Local Counter Fraud Services.

NWSSP CFM has continued to liaise with Internal Audit under the Joint working protocol in place.

The Counter Fraud Plan for 2023-2024. is aligned fully to the NHSCFA requirements as stipulated in Government Standard 13. The plan states proposed actions throughout the year. In tandem with investigation work required, the main focus of the NWSSP Local Counter Fraud Manager (CFM) during the last quarter was as follows:

### 3. Fraud Awareness Activity

The NWSSP Local Counter Fraud Service intranet page has continued to be updated with assistance from the NWSSP Communications team.

The NFI Privacy notice was emailed to all staff, posted on the intranet page, payslip and ESR Carousel to advise staff that data will soon be collected for the 2025 NFI exercise.

E-learning Module – The All-Wales Counter Fraud Awareness E-learning module launched on Tuesday 18<sup>th</sup> April 2023. **116** staff completed it during 2023/2024. Following engagement with divisions and support of NWSSP Director of Finance & Corporate Services at Senior Leadership Group (SLG). participation increased significantly in Quarter 1 2024/2025 with **356** staff completing it in Q1, this progress has continued with a further **397** staff completing in in Q2, **Total Q1+Q2 in 2024/2025 is now 753**. More detail on divisional and departmental data is also now being monitored.

Fraud awareness sessions for new starters commenced in November 2023 via Microsoft TEAMS with **108** staff attending up to 31<sup>st</sup> March 2024. **45** staff attended Q1 2024/25 and **44 during Q2** over 3 sessions a total of **89** for 2024/2025.

2 fraud awareness sessions were also provided to Finance and People and Organisational Development.

Fraud awareness is also signposted in the induction toolkit presented to new staff at the “Welcome Session” which is delivered virtually.

#### Fraud Awareness Summary

Fraud Awareness interactions Q1 2024/2025  Group	No of attendees / Participants (2024/25)		Total (2024/25)	Total 2023/2024 (For Comparison)
	Q1 (2024/25)	Q2 (2024/25)		
New Starter Fraud Awareness (No of Sessions)	45 (2 pres)	44 (3 pres)	89	108
e-Learning	356	397	753	116
Other Fraud Awareness Sessions	57	2	59	324
Newsletters	-	-	-	389
<b>Total</b>	<b>458</b>	<b>443</b>	<b>901</b>	<b>937</b>

## 4 Referrals/Enquiries/Investigations

During this reporting period the NWSSP Counter Fraud Team received 1 new referral for investigation. A summary of the investigation caseload is as follows

	<b>Caseload</b>	<b>Q2 (2024/25)</b>	
		<b>No / £</b>	
<b>A</b>	Cases b/f	7	
<b>B</b>	Add No new of cases opened	1	
<b>C</b>	<b>Total</b> Caseload during Q2 (a+b)	8	
<b>D</b>	<b>Less</b> Cases closed or Transferred during Q1	1	
<b>E</b>	Cases open at end of Q2 (c-d)	7	
	<b>Fraud Prevented or Recovered</b>	<b>Q 1+2 (2024/25)</b>	<b>Year Total 2023/2024 for comparison</b>
	Fraud Prevented		£12,150.42
	Financial Recoveries	£11,474.88	£50,419.03
	Total Prevented / Recovered	£11,474.88	£62,569.45
	Number of sanctions	1	3

7 ongoing investigations include:

3 cases of overpayment of Salary.

2 cases of working whilst on sick leave

1 False Representation on Application for employment.

1 Allegations relating to overstating annual leave entitlement

## 5 Local Proactive Exercises

As part of the Government Functional Standards LCFS are required to conduct Local Proactive Exercises (LPE's) and Fraud Risk Assessments and record them on the CLUE case management system. LPE's should be conducted on a local risk-based approach, can be directed by NHS CFA, or pursued as a result of an action point e.g. from an investigation, a Fraud Prevention Notice (FPN) or a wider nationally driven proactive exercise.

NHS CFA have issued a National Proactive Exercise on Procurement Fraud to be undertaken locally by all NHS Bodies from April 2024 to October 2024. CFM has continued to liaise with NWSSP Internal Audit, Procurement Services and LCFS Colleagues in NHS Wales to provide a coordinated approach to avoid duplication.

NWSSP CFM also assists and advises other NHS Staff, LCFS Colleagues and NHS CFS Wales with queries on fraud related matters. Data is now requested by NHS CFS Wales on the volume of queries and advice received in relation to fraud matters, as such a record is log and maintained on queries and assistance provided on such matters. NWSSP CFM received 32 queries during Q2 from a wide range of topics including several Mandate Fraud checks, Recovery of Salary Overpayments, Assisting Police/Regional Organised Crime Unit with enquiries, A/P systems, Potential Computer Misuse, Pharmacy Claims, General Ophthalmic Services claims, concerns raised by Health and Safety.

LPE's were conducted following the issue of the fraud risks identified from the issue of Intelligence Bulletin's (IBURN's) relating to:

### *Fraud Prevention Notices (FPN'S) and IBURN's (Intelligence Bulletins)*

**Intelligence Report** issued by NHS Department of Health and Social Care regarding in July 2024 concerning an individual applying for employment making false representations. Liaison with NWSSP Recruitment on an all Wales basis confirmed individual has made no applications in NHS Wales.

**Intelligence Alert** was issued by NHS Scotland regarding risk of compromised SMS services presenting a risk for NHS Bank staff. Checks made that whilst NHS Wales does use the system provider it does not use the SMS service and NHS Wales and staff were therefore not at risk.

**IBURN Intelligence alert** was issued by NHS England's National Cyber Security Centre in August 2024 raising a concern of impersonation and potential mandate fraud. No concerns were identified in NHS Wales.

No FPN's were issued by NHS CFA during QTR1 2024/25

## 6 Other

The NWSSP CFM previously met with Audit Wales, NWSSP Primary Care Services to produce a further data analytical exercise to provide assurance on General Medical Services Patient Registration and Capitation Fees. The data continues to be reviewed by The Post Payment Verification (PPV) Team.

NFI data will be uploaded for the 2025 exercise in the next few days.

Mark Weston

NWSSP Local Counter Fraud Manager

15<sup>th</sup> October 2024

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	25 October 2024
<b>PREPARED BY</b>	Carly Wilce, Corporate Services Manager, Julie Winterburn Procurement Services and Leanne Wright Procurement Services
<b>PRESENTED BY</b>	Alison Ramsey, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Governance Matters
<b>PURPOSE</b>	The purpose of this paper is to provide the Audit Committee with a brief update on governance developments within NWSSP and details of the contract activity within the period.

## 1. STANDING ORDERS AND FINANCIAL INSTRUCTIONS (SO's and SFI's)

There were 12 occasions where contract awards were not progressed in accordance with Standing Orders. These are items listed in Appendix A and reasons for the breach are provided.

## 2. CONTRACTS FOR NWSSP

The table below summarises contracting activity undertaken during the period **1<sup>st</sup> July 2024 to 30 September 2024**. Details of the contract activity for the period is set out in **Appendix A**.

Description	No.
Direct Engagement	12
Invitation to competitive quote of value between £5,000 and £25,000 (excl VAT)	10
Invitation to competitive tender - £25,000 and the OJEU threshold	0
Single Tender Actions	2
Single Quotation Actions	0
Direct Call Off against National Framework Agreement	1
Invitation to competitive tender of value exceeding OJEU threshold (excl VAT)	2
Voluntary Ex-Ante Transparency Notice of value exceeding £100k	1
Contract Extensions	1
<b>Total</b>	<b>29</b>

### 3. NWSSP PROCUREMENT SERVICES ALL WALES CONTRACTING ACTIVITY

During the period **1<sup>st</sup> July 2024 to 30<sup>th</sup> September 2024**, activity against **26 contracts** have been completed. This includes **12 contracts** at the **briefing** stage and **11 contracts** at the **ratification** stage. In addition to this activity, **3 extensions** have been actioned against contracts. A summary of activity for the period is set out in **Appendix B**.

### 4. GIFTS, HOSPITALITY & SPONSORSHIP

There have been **4** declarations made as to Gifts, Hospitality or Sponsorship since the last Audit Committee meeting, the details of which are set out below -

NWSSP Employee and job title	Department	Type of Sponsorship	Date of Event	Donated by /Source of Hospitality	Description	Estimated or Approximate Value	Approved by	Accepted or declined	Date of Acceptance or Approval
Raymund Liam Selby, Head of Estate Development & Mark James Gapper	Specialist Estates Services	Hospitality	27/09/2024	Cardiff & Vale University Health Board Capital Estates & Facilities Annual Staff Recognition Awards and Apprentices Evening, Mercure Holland House Hotel, Newport Road, Cardiff	To mark the National Estates & Facilities day, Cardiff and Vale UHB, the Capital, Estates & Facilities Service Board, held an inaugural (CEF) Departmental Staff Recognition Awards event. The shortlisted nominees were invited to events held on the day and the winners across the 5 Departments within CEF were announced. These individuals/teams will now be invited to attend the Capital Estates & Facilities Annual Staff Recognition Awards and Apprentices Evening.	£0	Neil Frow, Managing Director	Approved	05/08/2024
Stuart Douglas, Director of Specialist Estates Services	Specialist Estates Services	Hospitality	08/10/2024	IHEEM UK Conference 2024 (Manchester) Institute of Healthcare Engineering and Estate Management (IHEEM is a registered charity)	To join the IHEEM Conference as a guest (and past speaker) and to attend the awards dinner afterwards	£335:00	Neil Frow, Managing Director	Approved	12/09/2024
Maria Stolzenberg, Principal Safety & Learning Advisor	Legal & Risk, Welsh Risk Pool	Sponsorship	17/01/2024-18/01/2025	RLDatix: 1 Church Rd, London TW9 2QE	Funding from RLDatix to NWSSP to facilitate members of the Welsh Risk Pool Safety & Learning Pool to attend the event, which is a national event. The funding is effectively free places (at a full	£2,574:00	Neil Frow, Managing Director	Approved	23/09/2024

					cost of £429 per person). Six places have been provided as NHS Wales is presenting at the event.				
Aran Chaplin, Assistant Engineer	Specialist Estates Services	Hospitality	08/10/2024	Schneider Electric, 80 Victoria Street, London, United Kingdom	Networking evening meal	£30:00	Neil Frow, Managing Director	Approved	08/10/2024
Anthony Goddard, Principal Electrical Engineer	Specialist Estates Services	Hospitality	08/10/2024	Schneider Electric, 80 Victoria Street, London, United Kingdom	Networking evening meal	£30:00	Neil Frow, Managing Director	Approved	08/10/2024

## 5. CONFLICT OF INTERESTS

At the last Audit Committee meeting on 25 July 2024, an action was taken, to bring back a breakdown of Declarations of Interest for Procurement Services, to the next meeting, to provide greater granularity, as the service had the highest level of uncompleted returns, and the service would inherently have the greatest opportunity for conflicts arising. As demonstrated in the table below the majority of outstanding declarations relate to staff in Procurement Stores/drivers. It must however be noted that these are hard-to-reach areas, where staff do not have access to a computer daily. We have pursued a hard copy declaration for those staff where the risk profile tends to be relatively low due to the nature of their role. Compliance for senior members of staff is overall very good. Procurement staff directly involved in the letting of contracts also complete a separate declaration specific to the contract(s) that they are involved in. We have therefore provided a breakdown of declarations, by band, which is as follows -

Directorate	Headcount	Declarations completed	Percentage Completion	Outstanding Declarations
<b>Procurement Band 8a and above</b>	<b>38</b>	<b>38</b>	<b>100%</b>	<b>0</b>
<b>Procurement Band 7</b>	<b>47</b>	<b>47</b>	<b>100%</b>	<b>0</b>
<b>Procurement Band 6</b>	<b>68</b>	<b>68</b>	<b>100%</b>	<b>0</b>
<b>Procurement Band 5</b>	<b>47</b>	<b>46</b>	<b>98%</b>	<b>1</b>
<b>Procurement Band 4</b>	<b>100</b>	<b>100</b>	<b>100%</b>	<b>0</b>
<b>Procurement Band 3</b>	<b>90</b>	<b>79</b>	<b>88%</b>	<b>11</b>
<b>Procurement Band 2</b>	<b>396</b>	<b>246</b>	<b>62%</b>	<b>150</b>
<b>Total</b>	<b>786</b>	<b>624</b>	<b>79%</b>	<b>162</b>

## 6. COUNTER FRAUD AWARENESS TRAINING

The Local Counter Fraud Manager continues to monitor and report the progress being made with ensuring that as many NWSSP staff as possible have completed Counter Fraud Awareness training. This training is not mandated but a targeted approach is being undertaken with divisions that operate in areas more susceptible to fraud risk.

When working through the data to report that is extracted from ESR, we identified that in addition to the 753 staff that have completed the All-Wales Counter Fraud Awareness E-learning module, there are a further 258 staff who have completed the more generic UK wide Fraud Awareness module, taking the total that have undertaken fraud awareness e-learning over to over 1,000 staff. We are investigating possibilities within ESR to signpost better to the All-Wales module which is the expected training.

We are continuing, through Divisional performance reviews and the work of the Local Counter Fraud Manager to impress the importance of increasing momentum in this area. We are now able to provide divisional data to enable management teams to follow up with their staff.

## 7. WELSH GOVERNMENT QUARTERLY UPDATE

On a quarterly basis, we issue a letter to Judith Paget at Welsh Government to confirm any Audit Reports which have achieved limited or no assurance. A nil return was submitted for the period.

## 8. RECOMMENDATION

The Committee is asked to **NOTE** the report.

## APPENDIX A - NWSSP Contracting Activity Undertaken (01/07/2024 to 30/09/2024)

### Retrospective Non-Compliant Activity (12)

This is activity where departments have engaged suppliers directly without seeking Procurement involvement and therefore, have incurred a direct breach of SFI's.

Please note the Assistant Head of Operational Procurement presented at NWSSP SLG on 19<sup>th</sup> September 2024, to remind divisions of their responsibilities and obligations of 'Procurement best practice' and importance of adherence to SFIs.

No.	Division/Service	Procurement Ref No	Period of Agreement/Delivery Date	SFI Reference/Compliance	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/Circumstance/Issue	Procurement Action Required
1.	NWSSP/CIVAS IP5	AC (NWSSP 2024-25) 027	29/06/24 - 30/08/24	File note/Competition not sought in accordance with SFI's	Payment of invoice regarding Rental of Cleanroom clothing Garments	Micronclean Ltd	£6,861.93	No procurement involvement, retrospective payment of invoices.	Procurement have advised service that a tender exercise is required for a long-term contract. Procurement and service are working on an interim arrangement whilst the longer-term procurement process is completed
2.	NWSSP/Temporary Medicines Unit	AC (NWSSP 2024-25) 029	Jun 24 - June 25	File note/Competition not sought in accordance with SFI's	Annual Service of Four Medimix Automated Syringe Fillers & Two Medimix Vigo Pumps	Feel Assured Ltd	£13,788.60	The service understood the initial SQA covered a three-year period, but it was for one year only and had expired, this file note covers the remainder of the initial contract agreed by service.	Procurement have advised service that a tender exercise is required for a long-term contract prior to expiry June 2025.
3.	NWSSP/Laundry	AC (NWSSP 2024-25) 034	Several Retrospective invoices March 24 – Aug 24	File Note/Competition not sought in accordance with SFI's	NWSSP Laundry Sites - Agency Staff	Blue Arrow	£61,452.45	No procurement involvement, agency staff already in post.	Laundry Services engaging with NWSSP Bank Team for suitable replacement staff.
4.	NWSSP/Workforce	AC (NWSSP 2024-25) 036	June 24	File Note/Competition not sought in	NHS Wales Delegation to India (International Recruitment event,	Navigo Health	£7,1441.31	No procurement involvement, retrospective	Procurement and service drafting a Single Tender Action for future requirements, due to WG funding.

				accordance with SFI's	accommodation and transport, catering etc).			payment of invoices.	
5.	NWSSP/ CIVAS IP5	AC (NWSSP 2024-25) 039	01/09/24 – 30/11/24	File note/Competition not sought in accordance with SFI's	Payment of invoice regarding Rental of Cleanroom clothing Garments	Micronclean Ltd	£10,000.00	No procurement involvement, retrospective payment of invoices.	Procurement have advised service that a tender exercise is required for a long-term contract. Procurement and service are working on an interim arrangement whilst the longer-term procurement process is completed.
6.	NWSSP/ P&OD Team	AC (NWSSP 2024-25) 041	Retrospective Invoices	File note/Competition not sought in accordance with SFI's	Occupational Health Assessments & Reports	Independent General Council	£18,896.00	No procurement involvement, retrospective payment of invoices.	Procurement have advised service that a tender exercise is required for a long-term contract. Procurement and service are working on an interim arrangement whilst the longer-term procurement process is completed.
7.	NWSSP/ PCS	AC (NWSSP 2024-25) 043	3-month period	File note/Competition not sought in accordance with SFI's	Provision of Prescription Pad Forms	Xerox Ltd	£46,000.00	Interim agreement whilst National IM&T Services award new contract.	The National IM&T Services team in process of awarding contract.
8.	NWSSP/ PCS	AC (NWSSP 2024-25) 044	Retrospective Invoices	File note/Competition not sought in accordance with SFI's	Destruction of Confidential Waste at Cwmbran and Brecon House	Restore Datashred	£8,000.00	No compliance, retrospective payment of invoices.	Procurement have advised service that a tender exercise is required for a long-term contract. An interim MQ exercise is in process of being awarded.
9.	NWSSP/ Supply Chain	AC (NWSSP 2024-25) 049	April 2024 – March 2025	File note/Competition not sought in accordance with SFI's	Generator Hire	Power Electrics	£23,064.00	Competition not sought in line with SFI's.	Procurement have advised service that a tender exercise is required for a long-term contract. Procurement and service are working on tender documents to award contract prior to expiry March 2025.
10.	NWSSP/L laundry	AC (NWSSP 2024-25) 055	Retrospective Invoices	File note/Competition not sought in accordance with SFI's	Spare Parts for Laundry Equipment	Cymru Automation	£1,849.93	This additional value increases initial PO (created in April 23) £6.8k.	Procurement have advised service that a tender exercise is required for a long-term contract. Procurement and service are working on an interim arrangement whilst the longer-

									term procurement process is completed.
11.	NWSSP/PCS	AC (NWSSP 2024-25) 058	One off purchase	File note/Competition not sought in accordance with SFI's	Additional works carried out to monitor the landlords works	Cooke & Arkwright	£6,840.00	This additional value increases initial PO (created in April 23) £13k, three quotes were obtained, service extended without involving procurement.	This is one off purchase and not required going forward.
12.	NWSSP/Laundry	AC (NWSSP 2024-25) 064	One off purchase	File note/Competition not sought in accordance with SFI's	Laundry Press Brackets & Press equipment	Thomas Broadbent & Sons Ltd	£7,727.14	Laundry Press broke and parts were required asap to recommence production, service obtained quote.	This is one off purchase and not required going forward.

**Please note the planned action regarding retrospective POs:-**

- The Procurement team will liaise with the relevant stakeholders to ascertain why orders are retrospective and agree a process i.e. add to Oracle catalogue or formalise a contract to prevent them going forward;
- The Accounts Payable team have refreshed and relaunched the No PO No Pay Policy initiative with Procurement colleagues across the whole of NHS Wales in September 2024. Letters have been issued from the Directors of Finance and Procurement to Oracle Users and Suppliers alike; and
- NWSSP Finance team also reporting NWSSP retrospective POs as part of monthly finance report to the Senior Leadership Group by Division.

**Prospective Non-Compliant Activity (0)**

**Contracts value breached/extended at risk as a result of emergency/unforeseen circumstances (0)**

## Report of Single Tender/Quotations Actions (2)

No.	Division /Service	Procurement Ref No	Period of Agreement/Delivery Date	SFI Reference/Compliance	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/Circumstance/Issue	Procurement Action Required
1.	NWSSP/CTeS	NWSSP (2024/25) 37	02/08/2024 – 01/08/2027	STA	Optical Connect Core Connections	BT	£51,500.00	Sole & Incumbent Supplier	N/A
2.	NWSSP/Laundry	NWSSP (2024/25) 46	One Off	STA	Repair of PLC & Provision of Software to control the Sorting System	R Brown Specialist Laundry Engineering Ltd	£35,000.00	Sole & Incumbent Supplier	N/A

## Compliant Activity Delivered (15)

No.	Division/Service	Procurement Ref No	Period of Agreement /Delivery Date	SFI Reference/Compliance	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/Circumstance/Issue	Procurement Action Required
1.	NWSSP/Finance Academy	NWSSP -OJEU-56276	02/09/2024 – 01/09/2027 +12 + 12 extension	OJEU Tender	Graduate Financial Management Trainee Scheme	HTFT Partnership	£840,000.00	Open Tender via etenderwales portal.	N/A
2.	NWSSP/People & OD	NWSSP -OJEU-562468	27/08/24 – 26/08/2027	OJEU Tender	Translation Services on behalf of NHS Wales Shared Services Partnership	Teslun Cyf , Atebol & Clear Translation	£180,000.00 (£30k per supplier)	Open Tender via etenderwales portal.	N/A
3.	NWSSP/PCS	NWSSP -VEA (24-25) 5	One off Purchase	VEAT	Provision & Installation of Lighting at Dupont	Little Mill Services	£182,303.00	Voluntary Ex-Ante Transparency Notice via Sell2Wales portal.	N/A
4.	NWSSP/SMTL	NWSSP -MIN-MULTR A33249 5	25/09/2024 – 23/09/2025	Contract Extension	Courier Services for SMTL	Priority Express	£24,999.00	Contract Extension.	N/A

5.	NWSSP/Finance	NWSSP -DCO (23-24) 182	01/09/2024 – 31/08/2028	Direct Award	Provision of Salary Sacrifice Staff Vehicles	NHS Fleet Solutions c/o Northumbria NHS Trust	Zero cost to NHS	Direct Award via Framework.	N/A
6.	NWSSP/Laundry	NWSSP -MIN-MULTIR A342890	14/08/2024 – 31/03/2025	Quotation Activity between £5k and £25k	Commercial Laundry Dispatch system for Church Village	Bundle Laundry UK Ltd	£6,360.00	Quotation exercise via Multiquote portal.	N/A
7.	NWSSP/Laundry	NWSSP -MIN-MULTIR A343360	One of Purchase	Quotation Activity between £5k and £25k	Modifications on the Calendars	Richard Brown Specialist Laundry Engineering Ltd	£24,940.00	Quotation exercise via Multiquote portal.	N/A
8.	NWSSP/Laundry	NWSSP -MIN-MULTIR A343361	One of Purchase	Quotation Activity between £5k and £25k	Connection of the 5 Extractors to the EOP	Richard Brown Specialist Laundry Engineering Ltd	£18,890.00	Quotation exercise via Multiquote portal.	N/A
9.	NWSSP/Corporate	NWSSP -MIN-MULTIR A343905	One of Purchase	Quotation Activity between £5k and £25k	Matrix House Toilet Extractor Fans	Facility Services Group Ltd	£8,074.88	Quotation exercise via Multiquote portal.	N/A
10.	NWSSP/PCS	NWSSP -MIN-MULTIR A344042	31/08/24 – 30/08/2025	Quotation Activity between £5k and £25k	Off Site Shredding Service	Restore Datashred	£7,800.00	Quotation exercise via Multiquote portal.	N/A
11.	NWSSP/TRAMS	NWSSP -MIN-MULTIR A344532	1/11/2024 – 31/10/2025 + 1 year extension	Quotation Activity between £5k and £25k	Clean room Facilities for NHS Wales Medicine Unit	Angstrom Technology	£20,090.00	Quotation exercise via Multiquote portal.	Awarded early due to having to pre book prior to contract commencement
12.	NWSSP/Finance Academy	NWSSP -MIN-MULTIR	20 <sup>th</sup> February & 19 <sup>th</sup> June 2025	Quotation Activity between	Conference & Workshop Event 2025	Compass Contract Services (UK) Ltd	£13,400.00	Quotation exercise via Multiquote portal.	Awarded early due to having to pre book prior to contract commencement

		A34453 3		£5k and £25k					
13.	NWSSP/PC S	NWSSP -MIN- MULTIR A34462 5	01/11/2024 – 31/10/2027	Quotation Activity between £5k and £25k	Disposal of Confidential Waste	Restore Datashred Ltd	£12,600.00	Quotation exercise via Multiquote portal.	Awarded early due to having to pre book prior to contract commencement
14.	NWSSP/H CS	NWSSP -MIN- MULTIR A34488 8	17/09/2024 – 16/09/2027	Quotation Activity between £5k and £25k	WAST Mass Casualty Bag Programme 2025	Safeguard Medical Technologies Ltd	£7,421.60	Quotation exercise via Multiquote portal.	N/A
15.	NWSSP/La undry	NWSSP -MIN- MULTIR A34489 8	One off Purchase	Quotation Activity between £5k and £25k	Replacement of Hotwell Tank	Rogers Industrial Equipment Ltd	£24,995.00	Quotation exercise via Multiquote portal.	N/A

## APPENDIX B - All Wales Contracting Activity in Progress (01/07/2024 - 30/09/2024)

### Update on WG approvals outstanding from previous report in April 2024

No	Contract Title	Doc Type	Total Value £	Jl approval <£750K	WG approval >£500k	NF approval £750-£1M	Chair Approval £1M+
1.	HEIW Provision of Independent Prescribing Education and Training.	Briefing	£10,983,746	CS 08/04/24	17/05/2024	N/A	N/A
2.	Compounded Aseptic medicines.	Ratification	£82,449,095	20/05/2024	08/08/2024	08/08/2024	09/08/2024
3.	Secondary care benchmarking system.	Briefing	£2,412,000	20/05/2024	sent to WG 20/5, chased	N/A	N/A
4.	Once for Wales concerns management system extension.	Extension	£4,802,602	14/05/2024	22/07/2024	22/07/2024	22/07/2024
5.	Bespoke Orthotics.	Briefing	£6,500,000	20/05/2024	15/08/2024	NA	NA
6.	Respiratory Therapy & Ventilator Consumables & Accessories.	Briefing	£22,977,360	20/05/2024	15/08/2024	NA	NA
7.	Prosthetic.	Briefing	£15,000,000	30/05/2024	15/08/2024	NA	NA
8.	Generic Drugs Injections Infusions.	Ratification	£34,101,267	05/06/2024	15/08/2024	16/08/2024	16/08/2024
9.	Home Parenteral support services.	Ratification	£29,416,384	11/06/2024	15/08/2024	16/08/2024	sent to TM 16/8
10.	Fresh & Frozen Meat, Poultry, Cooked Meat and Bacon & Sausage.	Ratification	£12,766,841	11/06/2024	03/07/2024	16/08/2024	19/08/2024
11.	Specialist Estates - building for Wales 2 framework (Nil value the establishment of the consultant and contractor frameworks does not commit to capital or revenue expenditure).	Ratification	NIL	19/06/2024	09/07/2024	09/07/2024	15/07/2024
12.	Point of sale maintenance for BCU x-ray equipment.	Ratification	£861,230	28/06/2024	NA Direct Award	NA	NA

## All Wales Contracting Activity In Progress (01/07/24 – 30/09/24)

No	Contract Title	Doc Type	Total Value	Jl approval <£750K	WG approval >£500k	NF approval £750-£1M	Chair Approval £1M+
1.	<p><b>Clinical Waste Extension</b> Provision of the collection and disposal services, the use of reusable clinical waste containers and subsequent treatment services of those providers, home collection services, and modular on-site treatment units. <i>Contract dates: 1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2022 +5 yr extension option, 3 yrs utilised, 4<sup>th</sup> your extension date: 1<sup>st</sup> April 2025 – 31<sup>st</sup> March 2027</i></p>	Extension	£13,787,403	01/08/2024	original approval applies 5/7/16	01/08/2024	01/08/2024
2.	<p><b>Junior Doctor E-Rota monitoring solution</b> E-Rota Monitoring for Junior Doctors is a cloud-based software solution to assist Health Boards/Trusts in NHS Wales to plan and monitor their junior doctors' rotas and rosters in line with the European Working Time Directive (EWTD) and New Deal, supporting exception reporting and including the potential for a self-rostering programme. <i>Contract dates: 01/08/2024 – 31/07/2026 (with the option to extend for a further 12 months)</i></p>	Ratification	£960,283	31/07/2024	DA from framework	30/07/2024	30/07/2024
3.	<p><b>All Wales Patient Level Information Costing System (PLICS)</b> The current solution provides a patient level costing engine that can trace costs back to the detail of the financial ledger. In the current financial climate, it is increasingly important to have reliable service cost information and access to the underpinning, more granular patient level direct and support costs. <i>Contract dates: 1<sup>st</sup> October 2024 – 30<sup>th</sup> September 2028.</i></p>	Ratification	£1,332,978	17/07/2024	08/08/2024	08/08/2024	09/08/2024
4.	<p><b>Ustekinumab (drug)</b> This contract is for the supply of Ustekinumab, (originator brand Stelara), which is due to lose patent exclusivity (with the exception of the treatment for Ulcerative Colitis) at the end of July 2024. Ustekinumab is currently available from Janssen as sole originator supplier via the All-Wales Proprietary Drugs Contract. It is anticipated that biosimilar competition will be available from August 2024 with some suppliers bringing product into the UK in August and others making stock available from September onwards. Ustekinumab is a non-stock item and Health Board/NHS Trust</p>	Briefing	£12,138,752	17/07/2024	18/07/2024	NA	NA

	Pharmacy Departments order either directly from the manufacturers, or via a homecare provider. <b>Contract dates: 01/10/2024 – 30/09/2025 (with option to extend for up to 12 months to 30/09/2026)</b>						
5.	<b>Maintenance of Canon CT Scanners x 2 BCU</b> Provision of regular servicing, corrective maintenance visits to site and the supply and fitting of replacement parts, including specialist elements for the life of the contract. Full technical and clinical applications support is also provided for the life of the contract. <b>Contract dates: 10 years to include 1<sup>st</sup> year warranty</b>	Ratification	£861,230	19/07/2024	NA Direct Award Framework	NA	NA
6.	<b>Maintenance of Canon CT Scanners x 2 AB</b> Provision of regular servicing, corrective maintenance visits to site and the supply and fitting of replacement parts, including specialist elements for the life of the contract. Full technical and clinical applications support is also provided for the life of the contract. <b>Contract dates: 7-year contract</b>	Ratification	£1,047,668	19/07/2024	NA Direct Award Framework	NA	NA
7.	<b>Influenza vaccines season 2025</b> Central Procurement of Influenza Project, as of February 2024, NWSSP have developed a proposal to centrally procure, store and distribute the Influenza vaccine for the vaccination programme commencing in autumn 2025 and future Influenza vaccination programmes going forward. <b>Contract dates: Season 2025 (with the option to extend for a further 2 Seasons. Season 2026 and Season 2027)</b>	Briefing	£36,764,228	18/07/2024	28/08/2024	NA	NA
8.	<b>Generic Drugs topicals/miscellaneous</b> This contract consists of all Generic liquids, creams, emollients, gels and miscellaneous products such eye drops, inhalers, patches etc, which are purchased through Pharmacy Departments. <b>Contract dates: 01/07/2025 – 30/06/2028 (with option to extend for a further 12 months to 30/06/2029)</b>	Briefing	£9,014,913	18/07/2024	21/08/2024	NA	NA
9.	<b>Fresh Non-Prepared &amp; Prepared Fruit, Vegetables and Salad</b> The contract scope for Fresh Non-Prepared & Prepared Fruit, Vegetables and Salad is for a variety of fresh and prepared fruit and vegetable products for the purpose of patient feeding or Health Board or Trust income generation. <b>Contract dates: 01/01/2025 3 years with an option to extend for up to a further 12 months</b>	Briefing	£9,502,132	11/09/2024	sent to WG 13/9	NA	NA
10.	<b>Fresh &amp; Pre-Prepared Fruit &amp; Vegetables</b> Fresh, Chilled and Frozen Foods Framework - Lot 1 as set out below.	Ratification	£714,146	08/08/2024	DA from framework	NA	NA

	<b>Contract dates: 01/08/24 to 31/12/24 (plus option to extend in line with the terms of the Framework)</b>						
11.	<b>Radiology Reporting</b> Historically, there has been a national shortage of Consultant Radiologists in Wales, resulting in a lack of capacity and unacceptable reporting times for a number of Radiology procedures. This situation is mirrored across the United Kingdom. In order to provide additional reporting capacity for all NHS Wales Organisations, given the ongoing resource limitations being experienced nationwide, the first All Wales contract for the provision of Radiology Reporting Services was established in 2014. <b>Contract dates: 1<sup>st</sup> November 2024 – 31<sup>st</sup> October 2027 (with an option to extend up to 31<sup>st</sup> October 2029 in 2 x 12 month increments)</b>	Briefing	£45,868,292	14/08/2024	DA from framework	NA	NA
12.	<b>Medical Locums Managed Service</b> To provide a managed service to medical workforce managers that includes direct engagement, demand management and staff bank facilities. <b>Contract dates: 1<sup>st</sup> September 2024 to 31<sup>st</sup> August 2025. Proposed extension period 1<sup>st</sup> September 2025 to 31<sup>st</sup> August 2026</b>	Ratification	£1,649,790	28/08/2024	DA from framework	02/09/2024	03/09/2024
13.	<b>Trams various building and roofing works</b> Transforming Access to Medicines (TRAMS) is a programme of transformational change to Pharmacy Technical Services within NHS Wales, including participation by all the Health Boards and Trusts. Part of that programme is investment in 3 new regional medicines preparation facilities. <b>Contract dates: October 2024 – one off requirement</b>	Briefing	£800,000	28/08/2024	NA at this stage	NA	NA
14.	<b>Cleaning &amp; Security</b> Historically there has always been several separate agreements in place across NHS Wales for the provision of general office cleaning and security services. As each separate location had its own specific requirement including the tasks and hours required varied depending on the building size and occupancy. Cleaning Services, which includes provision for security services. <b>Contract dates: 01<sup>st</sup> March 2023 to 29<sup>th</sup> February 2024, (with an option to extend by a further 24 months) 6 months of this extension period has already been utilised to 31<sup>st</sup> August 2024, new extension period 01<sup>st</sup> September 2024 to 31<sup>st</sup> March 2025</b>	Extension	£4,885,542	22/08/2024	NA Direct Award Framework	02/09/2024	03/09/2024

15.	<b>Ustekinumab</b> This contract is for the supply of Ustekinumab. Janssen lost patent exclusivity for the originator brand Stelara, with the exception of the Ulcerative Colitis (UC) indication. <b>Contract dates: 01/10/2024 to 30/09/2025 (1 year) with an option to extend for a further 12 months to 30/09/2026 (1 year)</b>	Ratification	£5,610,804	30/08/2024	05/09/2024	05/09/2024	13/09/2024
16.	<b>Wheelchair Supply, Associated Parts, and Accessories</b> The procurement is for the provision of Wheelchair Supply, Associated Parts, and Accessories to the All-Wales Posture and Mobility Services (PMS) which is part of the Artificial Limb and Appliance Service (ALAS). <b>Contract dates: 01/01/2022-31/12/2024 - 01/01/2025-31/12/2026</b>	Extension	£11,899,702	30/08/2024	original approval applies 26/9/22	02/09/2024	02/09/2024
17.	<b>Biologic and Biosimilars</b> The re-tender will be for Infliximab, Etanercept, Rituximab, Bevacizumab, Teriparatide, Adalimumab, and Trastuzumab. Historically there has been a separate contract for Trastuzumab, but as it's a biologic medicine with the same supplier base, it has been decided to include it within the All-Wales Biologics and Biosimilars Framework to provide a more streamlined approach to the tender and contract management processes. The current Trastuzumab contract consists of both Trastuzumab and Pertuzumab. The intention is to include these within the Biologic and Biosimilar Framework whilst also including Trastuzumab Deruxtecan and Trastuzumab Emtansine both of which are currently being purchased within NHS Wales through the Commercial Medicines Access route. <b>Contract dates: 01<sup>st</sup> July 2025 to 30<sup>th</sup> June 2028 (with the option to extend for a further 12 months)</b>	Briefing	£70,828,856	30/08/2024	11/09/24	NA	NA
18.	<b>Anti Retrovirals</b> There is no cure for the infection caused by the human immunodeficiency virus (HIV), however, there are a number of drugs that slow or halt the progression. These drugs are known as Antiretrovirals. <b>Contract dates: 01/07/2025 – 30/06/2028 (With option to extend for a further 12 months to 30/06/2029)</b>	Briefing	£24,899,339	30/08/2024	03/09/2024	NA	NA
19.	<b>Stores handling equipment</b> to provide Stores Handling Equipment for four regional Supply Chain Warehouses across Wales. This contract will encompass not only the supply of the equipment but also associated training and maintenance services for the Denbigh, Bridgend, Picketston, and	Briefing	£1,040,000	03/09/2024	05/09/2024	NA	NA

	Newport (NDC) Regional Warehouses. The contract will involve a combination of purchase, lease/rental, and maintenance-only arrangements. <b>Contract dates: 1<sup>st</sup> December 2024 With Two (2) x One (1) Year Optional Extensions</b>						
20.	<b>Laryngectomy, Tracheostomy and Associated Consumables</b> The framework seeks to establish an All-Wales compliant agreement for Laryngectomy, Tracheostomy and Associated Consumables including tracheostomy tubes, laryngectomy tubes, voice prosthesis, cricothyrotomy kits, inner cannulas, Tube Holders, Cleaning Products, Tracheostomy Protectors, Occlusion Caps, Speaking/One Way Valve, HME Filters etc. <b>Contract dates: 4 Years – 01/10/2024 – 30/09/2028</b>	Ratification	£2,788,420	06/09/2024	17/09/2024	08/10/2024	
21.	<b>Thermometry</b> Thermometers are widely used in hospitals to gain an accurate reading of a patient's body temperature. Medical thermometers enable healthcare providers to deliver precision in their assessments. This is crucial for assessing health conditions, monitoring fevers, and guiding medical treatment. Medical thermometers can measure body temperature in various locations known for maintaining stable temperatures, including the oral, Auxiliary (armpit), rectal, tympanic (ear), and temporal (forehead) regions. <b>Contract dates: 01/02/2025 – 31/01/2029 (4 yrs)</b>	Briefing	£2,944,014	11/09/2024	01/10/2024	NA	NA
22.	<b>Proprietary Drugs</b> Proprietary Drugs are branded lines that are protected by a patent and can only be produced by the patent owner. This tender will focus on these patented drugs, but may include some drugs which are due to lose their patent protection in the near future. <b>Contract dates: 1<sup>st</sup> July 2025 – 30<sup>th</sup> June 2028 (with an option to extend a further 12 months)</b>	Briefing	£392,774,896	13/09/2024	01/10/2024	NA	NA
23.	<b>Supply of Energy</b> NHS Wales All-Wales Supply of Energy. <b>Contract dates: 1<sup>st</sup> April 2024 to 20<sup>th</sup> February 2027 (this is the date when CCS transitioned all of their energy customer base to the new framework RM-6251 which expires on 20<sup>th</sup> February 2027)</b>	Ratification	£97,051,633	13/09/2024	DA from framework	07/10/2024	
24.	<b>Ultrasound education and training</b> This purpose of the contract is to review and look for alternative training facilities and adapt the approach for all learners in Wales.	Ratification	£1,354,080	20/09/2024	On hold until 7/10		

	<p>Additionally, the procurement will address the increased demand for ultrasound education in Wales, with a national shortage of NHS sonographers.</p> <p><b>Contract dates: Implementation stage from 1<sup>st</sup> October 2024 to 31<sup>st</sup> December 2024. Services Commencement: 8<sup>th</sup> January 2025 to 7<sup>th</sup> January 2028 With the option to extend for 2 years in 2 12-month intervals</b></p>					
25.	<p><b>Vaccines</b> This contract consists of Adult Vaccines only, as Childhood Vaccines are currently purchased from the National Framework, which is managed by NHS England. Influenza vaccines are managed on a separate All Wales agreement. We currently have 11 lines on this contract, including varying strengths of Hepatitis A and B and Varicella.</p> <p><b>Contract dates: 1<sup>st</sup> February 2025 to 31<sup>st</sup> January 2028 with an option to extend up to 12months</b></p>	Ratification	£1,156,858	30/09/2024	Sent to WG 7/10	
26.	<p><b>Provision of building and roofing works</b> The Project is seeking a multi-disciplinary contractor to carry out enabling works in advance of a separate modular build within an existing warehouse shell.</p> <p><b>Contract dates: November 2024 – one off requirement</b></p>	Briefing	£1,200,000	30/09/2024	On hold until 7/10	

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	25 October 2024
<b>PREPARED BY</b>	James Quance, Assistant Director of Corporate Services
<b>PRESENTED BY</b>	James Quance, Assistant Director of Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Alison Ramsey, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	NWSSP Corporate Risk Register

## PURPOSE

To provide the Audit Committee with an update as to the progress made against the organisation's Corporate Risk Register, and to seek approval for changes in target risk score dates of specific risks.

## 1. INTRODUCTION

The Corporate Register is presented at **Appendix 1** for information.

## 2. RISKS FOR ACTION

The ratings are summarised below in relation to the Risks for Action:

<b>Current Risk Rating</b>	<b>October 2024</b>
Red Risk	6
Amber Risk	8
Yellow Risk	0
Green Risk	0
<b>Total</b>	<b>14</b>

### 2.1 Red-rated Risks

There following red risks remain on the register as follows:

- the Decarbonisation Action Plan risk (A5), split to show the risk in respect of NWSSP's leading role nationally (A5a) and the risk to the delivery of its own Decarbonisation Action Plan (A5b).
- the impact on staff time and resources as a requirement of responding to the COVID 19 UK Public Inquiry remains rated red

due to ongoing and expected further requests from the Inquiry (A6);

- the threat to the TRAMs programme and the consequent impact in South-East Wales if funding is not made available. The risk score has previously reduced from 20 to 15 following confirmation of funding for radiotherapy isolators (A10); and
- the availability of capital funding remains a significant risk (A12).

## **2.2 New/Deleted Risks**

The following red risks have been added to the Risk Register since the last meeting of the Audit Committee in July 2024:

- the Primary Care Workforce Information System supplier dispute causing delayed go-live date and build specification uncertainty (A13); and
- the risk that suitable office accommodation will not be found when leases expire at Charnwood Court and Companies House resulting in disruption for staff (A14).

## **2.3 Target Risk Update**

Following the last meeting of the Committee in July, the target date for risk A6 (impact of responding to the Covid Inquiry) has been revised in order to provide a more focussed time window within which to consider and where possible manage the risk. The initial target date has been revised to 31 October 2024 to reflect the significant activity required over recent months to respond to Rule 9 requests. However, we await whether further requests or clarifications will be required by the Inquiry which will influence the movement of this risk.

## **RISKS FOR MONITORING**

There are eleven risks that have reached their target score, and which are rated as follows:

<b>Current Risk Rating</b>	<b>October 2024</b>
Red Risk	0
Amber Risk	2
Yellow Risk	3
Green Risk	0
<b>Total</b>	<b>5</b>

## **3. RECOMMENDATION**

The Audit Committee is asked to:

- **NOTE** the Corporate Risk Register; and
- **APPROVE** the proposed changes to the target risk date.

## Corporate Risk Register

Ref	Risk Summary	Inherent Risk			Existing Controls & Mitigations	Current Risk			Further Action Required	Progress	Trend since last review	Target & Date
		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score				
<b>Risks for Action</b>												
<b>A1</b>	The threat of a successful cyber attack due to weaknesses in, or failure to comply with, security measures leading to potential loss of systems and/or sensitive data.	5	5	25	Cyber Security Action Plan BCP Champions Meeting Information Governance training Mandatory cyber security e-learn Internal Audit review BCP Action Cards CAF completed and report received from CRU CAF remediation project established with support from PMO. 'Exercise in a box' launch event held with SLG (face to face) on 12 May. Phishing testing has been running since February 2022 alongside proactive communications on cyber awareness. Part of All-Wales Cyber Security Network Increased resource in Cyber Security Team.	2	5	10	Complete Impact Assessment of all major systems (Nick Lewis - 31/05/2024) Update session for SSPC to be provided in Q3.	Heightened state of alert. Recent attack on Home Electronics System - although this is not hosted by NWSSP. Presentation to September SLG and October 2023 Audit Committee. Two additional staff at Band 6 recruited. Cyber KPIs developed and reported to SLG for approval and will be reported on a quarterly basis for ongoing assurance.	➔	At target
	<b>Strategic Objective - Service Development</b>									<b>Risk Lead: Director of Planning, Performance &amp; Informatics</b>		
<b>A2</b>	There is a risk that NWSSP is unable to recruit and retain appropriately skilled people due to challenging market conditions resulting in an inability to meet service levels in whole or in part.	3	5	15	Established working practices governed by Service Level Agreements and measured by reporting of KPIs on monthly basis. Bi-monthly Recruitment Modernisation Project Boards 19 additional staff recruited within Employment Services (fixed term) Regular reporting to SLG and SSPC.	3	3	9	Complete further resource and activity re-modelling activity for recruitment.	Positive progress has been continued and we are now achieving the Time to Hire metric across Wales. NWSSP continues to develop it's own programme via "This is our NWSSP" action plan – and we are having success in attracting new recruits in most areas. There are 2 hard to fill areas in Procurement and Audit that we are continuing to focus on.	➔	At target
	<b>Strategic Objective - Staff</b>									<b>Risk Lead: Director People &amp; OD</b>		
<b>A3</b>	There is a risk that NWSSP is not adequately prepared for a future pandemic or public health emergency resulting in excessive risk to its people and inability to react to rapid escalation in demand for services.	4	5	20	Emergency Planning and Business Continuity Plans in place and maintained up to date. Part of four nations approach and reliant upon horizon scanning at UK Government level. Learning from Covid Pandemic including external reviews.	2	5	10	Continue to pursue links into Local Resilience Forum.	Head of Emergency Preparedness appointed and due to start Jan 25; Director of Planning Performance and Informatics attends weekly HCID meetings to represent NWSSP Business continuity exercises continue to be planned.	➔	31/03/2025
	<b>Strategic Objective - Services</b>									<b>Risk Lead: Director Planning, Performance &amp; Informatics</b>		
<b>A4</b>	There is a risk that disruption in the supply chain caused by external factors or supplier failure results in significant restriction in service provision.	4	4	16	4 Nations approach provides resilience and NWSSP are active partners. Learning from Covid pandemic and any disruption incidents has been implemented wherever possible.	3	3	9	Ensure clarity in contracting arrangements regarding out of hours arrangements with suppliers.	Additional stockholding where required of PPE and essential stock being agreed with Welsh Government. Regular reports continue to be provided from NWSSP to Welsh Government on stockholding levels compared to Wave 2 and current usage levels.	➔	31/03/2025
	<b>Strategic Objective - Services</b>									<b>Risk Lead: Director Finance &amp; Corporate Services</b>		
<b>A5a</b>	Resource restraints prevent the ability of NWSSP to meet the expectations of Welsh Government and the public in playing a leading role in delivering the NHS Wales Decarbonisation Action Plan. Consequences of such failure would mean that the Welsh Government could fail in its response to its declaration of a Climate Emergency.	4	4	16	Regular liaison with Welsh Government Attendance at National Programme Board	4	4	16	The financial position across NHS Wales is leading to increasing demand from HBs/Trusts on the NWSSP team. Team continues to explore finance opportunities.	The financial position across NHS Wales has raised questions around deliverability of DAPs across all organisations and this has been raised at the National Programme Board. Following departure of Asst Hof PMO in Sept, a replacement was recruited in Oct 2024. Plans are being made to back fill the PM post which was held by the successful applicant.	➔	31/12/2024
	<b>Strategic Objective - Service Development</b>									<b>Risk Lead: Director, Specialist Estates Services</b>		
<b>A5b</b>	Resource restraints, most notably capital funding, prevent the ability of NWSSP to deliver its own Decarbonisation Action Plan, hindering the ability of Welsh Government to achieve its ambition to respond to the declared Climate Emergency.	4	4	16	Decarbonisation Programme Board Project Execution Plan PMO Support	4	4	16	Submitted updated Action Plan to Welsh Government. Internal Audit review recommendations all implemented.	NWSSP DCR are issuing periodic status updates and reporting into Decarbonisation Programme Board. Costed Plan completed and shared with SRO in September 2024; then shared with Programme Board 9 October.	➔	31/12/2024

Ref	Risk Summary	Inherent Risk			Existing Controls & Mitigations	Current Risk			Further Action Required	Progress	Trend since last review	Target & Date
		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score				
	<b>Strategic Objective - Service Development</b>									<b>Risk Lead: Director, Specialist Estates Services</b>		
A6	The COVID Inquiry places extreme demands on staff groups, particularly Procurement, and impacts the delivery of business-as-usual services.	5	4	20	Appointment of Legal Counsel Support from Legal & Risk COVID Inquiry Planning Readiness Group has met its terms of reference Reflection Documents Central Store of relevant documents Core Participant status confirmed. Evidence provided for Module 5 and Module 3 with further clarification and other requests arriving from the Inquiry Team.	3	4	12	Focus now is on meeting the challenging requirements to respond to requests from Inquiry by the due dates.	Time needing to be prioritised by key staff. Some success in obtaining a revised timeframe for submission of evidence to allow more time for collation. Dates in diary to seek Counsel guidance before submission.	→	31/10/2024
	<b>Strategic Objective - Services</b>									<b>Risk Lead: Director, Finance &amp; Corporate Services</b>		
A7	The financial climate in NHS Wales poses significant threats to the delivery of existing services and the development of new services as set out in our 2024/27 IMTP.	5	4	20	Monthly Finance Reports to SLG Finance Reports to SSPC and Audit Committee Value and Sustainability Group Vacancy Control Arrangements implemented	3	4	12	Directorates to develop savings programme by start of new financial year. Three Service Improvement workshops with SLG over the summer sharing tools and techniques to develop plans. 2024/25 Financial Plan remains on track. Key priorities identified for Non-recurrent investment bids launched in August. Decision on successful bids will be made in September.	Summary of Grip and Control arrangements discussed with SLG in August and presented to DoFs in July. Programme of work established including variable pay controls, vacancy management, non-pay expenditure good practice including No PO No Pay and presentation from Procurement planned for Sept SLG.	→	31/03/2025
	<b>Strategic Objective - Services</b>									<b>Risk Lead: Director, Finance &amp; Corporate Services</b>		
A8	The increasing range and complexity of NWSSP services leads to exposure to a wide range of risks of non-compliance with law and regulations.	4	5	20	Internal and external assurance and compliance reviews undertaken on a regular basis. Highly regulated areas, ie medicines have systemic and operational compliance processes in place which are tested regularly. Professional routes into WG and UK government to shape and plan for changes.	3	4	12	Map of all regulatory requirements to be developed. New role of Head of Emergency Preparedness, Resilience and Response created to support all Divisions including work emerging from COVID-19 Inquiry Module 1. Interviews planned 3 October.	3 areas of procurement legislation this year are likely to have significant impact.	→	At target
	<b>Strategic Objective - Services</b>									<b>Risk Lead: Responsible Directors</b>		
A9	There is a risk due to the volume of data that NWSSP handle that a significant data breach causes significant impact upon those impacted by the breach, loss of reputation and financial penalty for NWSSP.	3	5	15	IG Manager Information Governance Steering Group On-line mandatory e-learn for all staff and two-yearly refresher training Data Privacy Impact Assessments Policies and Procedures Guides to Good practice Regular communications Accountability through breach reporting	2	4	8	Continue to monitor e-learning training compliance and cause of any data breaches through IGSG.	Controls are well embedded in the organisation with staff reminded of need for vigilance as often as possible.	→	At target
	<b>Strategic Objective: Services</b>									<b>Risk Lead: Director, Finance &amp; Corporate Services</b>		
A10	The threat to patient services if the planned developments of the Radiopharmacy and hub TRAMs service is not allowed to progress due to funding or planning limitations.	5	5	25	TRAMs Programme Board Formal project managed by PMO. Use of Outsourced Suppliers Task & Finish Group established. Update to July SSPC.	3	5	15	Progress development of Radiopharmacy service in IP5 (CP 31/03/25)	Risk assessments completed with Chief Pharmacists. Update provided to September SSPC. Funding for Radio Pharmacy Unit at IP5 in SE Wales agreed in principle by WG and business case approved at November SSPC. Radiopharmacy funding confirmed and business case developed for approval.	→	31/03/2025
	<b>Strategic Objective - Services</b>									<b>Service Director TRAMs</b>		
A11	There is a risk that a significant business continuity event causes a loss of critical infrastructure for an extended period resulting in an inability to provide priority services.	5	5	25	Network of Business Continuity Champions BC Plan and Impact Assessment Directorate Action Cards Internal Audit Review BCP App	2	5	10	Continue to implement recommendations from Internal Audit Report (30 Jun 24) Plans to appoint Head of Emergency Preparedness.	Head of Emergency Preparedness appointed and due to start Jan 25.	→	At target
	<b>Strategic Objective: Services</b>									<b>Risk Lead: Director Planning, Performance &amp; Informatics</b>		
A12	There is a risk that there is insufficient capital funding to support the development of services and delivery of the IMTP and Ministerial priorities.	5	4	20	Estates and digital strategies Capital and estates prioritisation returns submitted to WG Close contact maintained with WG Capital Team Track record of delivery and effective use of	4	5	20	Refinement of Estates risk assessment in preparation for funding announcements including ready to go projects. Head of Estates/Facilities role currently going through job evaluation.	Continue to monitor and report into WG and prioritise discretionary capital to areas of greatest need.	→	31/03/2025

Ref	Risk Summary	Inherent Risk			Existing Controls & Mitigations	Current Risk			Further Action Required	Progress	Trend since last review	Target & Date
		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score				
	<b>Strategic Objective - Service Development</b>				resources					<b>Risk Lead: Director Planning, Performance &amp; Informatics</b>		
A13	Primary Care Workforce Information System supplier dispute causing delayed go-live date and build specification uncertainty.	5	3	15	Legacy system contract extended to 31.03.25 Build assessment plan established Invoices on Hold pending build assessment outcome	5	4	20	Project Board to complete build assessment following release of Sandbox by Supplier (no confirmed release date)	Supplier indicated 90.7% build complete 01.07.24. This cannot be confirmed by NWSSP. Project Team to complete build assessment via supplier 'show & tell' October 24 and release of Sandbox. Decision imminent on whether we are able to continue with supplier or pursue alternative strategies.	↑	31/10/2024
	<b>Escalated Divisional Risk</b>									<b>Risk Lead: Director People &amp; OD</b>		
A14	There is a risk that suitable office accommodation will not be found when leases expire at Charnwood Court and Companies House resulting in disruption for staff	4	4	16	Project Team in place staff identified communications including virtual coffee mornings Agents engaged Mitigation would be to ask staff to work from home if required	4	4	16	Leases being extended to April 2025 for Companies House and December 2026 for Charnwood Court.	Options being assessed following lack of engaged from Nantgarw 2 landlord causing us to withdraw from negotiations. SES urgently tasked to shortlist options and agreed to make some changes to ground floor in Charnwood Court.	✳	31/12/2024
	<b>Escalated Divisional/Programme Risk</b>									<b>Risk Lead: Director, Finance &amp; Corporate Services</b>		
<b>Risks for Monitoring</b>												
M1	Suppliers, Staff or the general public committing fraud against NWSSP.	5	3	15	Dedicated NWSSP LCFS Counter Fraud Service Wales Internal Audit Audit Wales PPV National Fraud Initiative Counter Fraud Steering Group Policies & Procedures Fraud Awareness Training Fighting Fraud Strategy & Action Plan	2	3	6	Produce review of 1st year activity for NWSSP LCFS (PS/MW 30 June 2023) - COMPLETE	Significant progress being made in the rollout of all-Wales counter fraud training throughout higher risk areas in NWSSP.	→	
	<b>Strategic Objective - Value For Money</b>									<b>Risk Lead: Director of Finance &amp; Corporate Services</b>		
M2	Lack of storage space across NWSSP due to increased demands on space linked to COVID and specific requirements for IP5	4	4	16	IP5 Board Additional facilities secured at Picketston Regular review at SLG Formal project for Companies House relocation	2	4	8	Review options for relocation from Companies House (Complete) Paper to December SLG on accommodation options (Complete) Discussion with WG regarding PPE stockholding and TrAMS footprint to be finalised.	Additional racking has been added in IP5 and will soon be installed in Denbigh Stores, increasing storage capacity. The move from Brecon House to Dupont will also increase storage space.	→	
	<b>Strategic Objective - Service Development</b>									<b>Risk Lead: Programme Director</b>		
M3	The level of stock that we are being asked to hold is likely to mean that some items go out-of-date before being issued for use and need to be written off causing a loss to public funds and possible reputational damage to NWSSP.	5	5	25	Internal Audit Review of Stores Stock Rotation - based on FIFO Ongoing discussions with WG	2	3	6	Confirm WG required stock holding for PPE - currently 16 weeks (AB 31 Jan 2024) -	SMTL working with DHSC to investigate whether expiry dates can be extended on some PPE equipment We are still awaiting the formal Ministerial advice on required stock levels but interim figures have been shared. Workshop to be hosted by WG before the end of January. Stock levels and shelf life continue to be actively monitored.	→	
	<b>Strategic Objective - Service Development</b>									<b>Risk Lead: Director of Finance &amp; Corporate Services</b>		
M4	The planned development of the TrAMs Clinical Pharmacy Service is adversely impacted due to financial and staffing challenges	4	4	16	Developing clear plans from stakeholders Support	3	4	12	Undertake Organisational Change Process 2 (Colin Powell - 31/09/24)	Update to October 2024 - the Radiopharmacy BJC submitted to WG and is ongoing scrutiny from SES. No major concerns have been raised. Planning application submitted to Newport Council, all queries raised have been answered, awaiting a reply. Work continues on SE Hub OBC. Delivering TrAMs remains as high inherent risk.	→	
	<b>Escalated Divisional Risk</b>									<b>Risk Lead: Service Director</b>		

Ref	Risk Summary	Inherent Risk			Existing Controls & Mitigations	Current Risk			Further Action Required	Progress	Trend since last review	Target & Date
		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score				
M5	The transfer of the laundries to NWSSP expose a number of risks including concerns over health and safety and formality of customer relationships.	4	4	16	Internal Audit review Laundry Programme Board Regular updates to SLG on progress with Action Plan Draft SLAs approved by SSPC Appointment of Assistant Director for Laundry Services H&S Audits of Laundry Sites	2	3	6	Appoint additional H&S resource to address problems and maintain progress in Laundry sites - recruitment in progress. Laundry stock holding hub at Carmarthen. Memoranda of Terms of Occupation.	Risk Assessments have been undertaken at the laundries and good progress has been made in addressing the risks. An update is provide to each meeting of the Laundry Programme Board	→	
	Strategic Objective - Service Development											

Key to Impact and Likelihood Scores						
		Impact				
		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Likelihood						
5	Almost Certain	5	10	15	20	25
4	Likely	4	8	12	16	20
3	Possible	3	6	9	12	15
2	Unlikely	2	4	6	8	10
1	Rare	1	2	3	4	5
	<b>Critical</b>	Urgent action by senior management to reduce risk				
	<b>Significant</b>	Management action within 6 months				
	<b>Moderate</b>	Monitoring of risks with reduction within 12 months				
	<b>Low</b>	No action required.				

	New Risk
	Escalated Risk
	Downgraded Risk
	No Trend Change



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	25 October 2024
<b>PREPARED BY</b>	Carly Wilce, Corporate Services
<b>PRESENTED BY</b>	James Quance, Assistant Director of Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Alison Ramsey, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Update on the Implementation of Audit Recommendations
<b>PURPOSE</b>	This report provides an update to the Audit Committee on the progress of audit recommendations within NWSSP.

## 1. INTRODUCTION

NWSSP records audit recommendations raised by Internal Audit, Audit Wales, and other external bodies, as appropriate. It is essential that stakeholder confidence is upheld and maintained; an important way in which to enhance assurance and confidence is to monitor and implement audit recommendations in an effective and efficient way.

## 2. CURRENT POSITION

Due to the volume of historical Internal Audit reports and implemented recommendations captured and reported every month within the overarching Audit Recommendations tracking register, Corporate Services has performed a proactive review of the process. As a result, a data cleanse has been conducted to archive all implemented recommendations, prior to the 2020-21 financial year. All previous data will be archived and retained in SharePoint, in accordance with retention requirements and analysis of historic information if required.

As a result, the table below contains **96** recommendations from **2020-21** to the date of this report. **156** implemented recommendations from before **2020-21** and going back to **2016-17** that were being continually reported will no longer be included in this report.

A copy of the summary extract is attached at **Appendix A**, for information.

There are **32** reports included in the table below; **8** reports have achieved **Substantial** assurance; **19** reports have achieved **Reasonable** assurance,

**1** report has been awarded **Limited and** there were **no** reports received **No Assurance**. **4** reports were generated with **Assurance Not Applicable**. The reports include **96** recommendations for action.

**Table 1 - Summary of Audit Recommendations**

As at 16 October 2024					
Recommendations		Implemented	Not Yet Due	Overdue	Dependant on third party organisations
<b>Internal Audit</b>	<b>88</b>	<b>79</b>	<b>8</b>	<b>1</b>	<b>0</b>
<i>High</i>	5	5	0	0	0
<i>Medium</i>	58	51	7	0	0
<i>Low</i>	18	16	1	1	0
<i>Not Applicable</i>	7	7	0	0	0
<b>External Audit</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>High</i>	0	0	0	0	0
<i>Medium</i>	5	5	0	0	0
<i>Low</i>	0	0	0	0	0
<i>Not Applicable</i>	0	0	0	0	0
<b>Other Audit</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>High</i>	0	0	0	0	0
<i>Medium</i>	0	0	0	0	0
<i>Low</i>	3	3	0	0	0
<i>Not Applicable</i>	0	0	0	0	0
<b>TOTALS:</b>	<b>96</b>	<b>87</b>	<b>8</b>	<b>1</b>	<b>0</b>

### 3. Overdue Recommendations

There is **ONE** recommendation to report in this category, however the action is not within the gift of NWSSP to fully implement. The recommendation is to engage with health bodies to determine whether retrospective checking is required for invoices below £500 and if so, agree the process and responsibilities for this. Engagement has been ongoing with attempts to agree a consistent approach. This is being taken forward at the All Wales P2P Governance Group which reports into the Shared Services Partnership Committee.

An extension of the target date has been previously approved by the Committee and it will therefore remain as overdue until completed. Full details of the recommendations are set out in **Appendix A**, for the attention of the Audit Committee.

### 4. Dependant on Third Party Organisations

For recommendations where NWSSP is reliant on a third-party organisation to action the work needed in order for NWSSP to fully implement, these should be escalated to the relevant contact and marked 'dependant on third

party organisations' with the action taken clearly stated in the progress box. These also need to be followed up with the relevant third party and closed out on the tracker once implemented. There is **ONE** recommendation for NWSSP in this category, as noted above.

## **5. RECOMMENDATIONS**

The Audit Committee is asked to:

- **NOTE** the report findings and progress made to date regarding implementation of audit recommendations.

Internal Audit Report Ref	Rec No	Report Title	Status	Issue Identified	Risk Rating	Recommendation	Responsibility for Action	Management Response	Original Deadline	Updated Deadline	Update On Progress Made	
NWSSP-2023-01	1	Corporate & Finance Services	Accounts Payable	<b>OVERDUE</b>	The retrospective checks task and finish group was established in December 2022 and whilst the group were able to identify a means of doing these checks, responsibility of completion was not agreed. Due to poor engagement from client organisations the group subsequently closed.	<b>Low</b>	5.1 Engage with health bodies to determine whether retrospective checking is required and if so, agree the process and responsibilities for this.	Russell Ward – Head of AP & eEnablement	Agreed – This will be discussed with the Organisations Financial P2P Lead and Procurement	30/04/2024	30/09/2024	Will be discussed at the All Wales P2P Governance Group on 16/10/2024. An update will be received following the meeting.
NWSSP-2324-10	2	Employment Services	Student Awards Services	<b>NYD</b>	Manual workarounds have been used to overcome system issues, although we are advised that many have now been resolved. Manual workarounds aren't documented in procedures, although the Deputy/Student Awards Manager demonstrated a thorough understanding of when and why these adjustments are required, and our sample testing did not identify any errors in bursary calculation. There was evidence of regular engagement with the system supplier to address any outstanding issues.	<b>Medium</b>	Continue to engage with the GPUK system supplier to address outstanding system issues. Until this is achieved, a record of system issues and associated manual workarounds should be maintained, along with documented procedures for each.	Stephen Withers, Asst Director of Employment Services	We accept the findings of the audit, we will continue to work with the Developers to deploy the fixes, any manual adjustments made are documented, details of the reason are input on the record for audit purposes, and it adds probity that audit did not identify any errors in the calculations.	31/12/2024		
NWSSP-2324-10	3	Employment Services	Student Awards Services	<b>NYD</b>	There is no service level agreement in place between NWSSP SAS and HEIW setting out the roles and responsibilities of each party.	<b>Medium</b>	Roles and responsibilities and scope/limitations of service should be documented and agreed with HEIW via a service level agreement.	Stephen Withers, Asst Director of Employment Services	There has never been an SLA in place since it transferred into the Finance Department in NWSSP in 2012 some 12 years ago, we will work with HEIW to put in place an SLA, this will require engagement with HEIW, and potentially Welsh Government colleagues.	31/12/2024		
NWSSP-2324-10	4	Employment Services	Student Awards Services	<b>NYD</b>	The online application form requires the student to declare whether they have a spouse or partner who will be wholly or mainly financially dependent on them during their training. We identified an instance where a student had correctly answered no on the basis that they have no income to support their spouse, who has their own income. However, the system is incorrectly configured to only require details of spousal income (required for determining dependent, parent and childcare allowances) if the student answers yes to this question. In this instance SAS had identified the error and made the necessary manual adjustment so the overall award was correct. However, to overcome this issue SAS are advising students to answer this question incorrectly in order to ensure the system captures the required information. The application form also captures information not required for the eligibility assessment and calculation of award. This includes details and evidence of student income and living expenses which is not relevant if the student is single and/or has declared they have no income (which is the majority of cases). This does not impact on assessment or award, but consumes SAS resources in reviewing the information and associated evidence. There is opportunity to refine the application form to improve efficiency and student experience. Bank details are collected at application stage and stored in GP UK so they are accessible to the University for the purpose of processing payments to students. These can be amended by SAS despite there being no apparent need.	<b>Medium</b>	Update the bursary application form to correct the issues identified. Student bank details should be read only and not amendable by SAS.	Stephen Withers, Asst Director of Employment Services	This question was in the original Boss system, when the system was migrated to the new GPUK system the methodology transferred with it, it was tested against the previous system. SAS identified post go live, a potential conflicting question on Partner/Spouse and Dependents, SAS have put in place a check where there is a conflicting answer to refer it back to the student for clarity, we have requested a fix in the system, which is currently with the developers, the current workaround is robust until the fix is deployed.	31/12/2024		
NWSSP-2223-1a	5	Procurement Services	Laundry Services	<b>NYD</b>	Current prices are based on 2019/20 prices plus 2% inflation and vary across Wales due to legacy arrangements. Furthermore, the cost of missing linen stock is currently absorbed by the Laundry in terms of replacement costs. Health Boards/Trusts are invoiced based on the number of items issued, with the exception of one Health Board which is on a fixed rate agreement paying £290k each quarter based on agreed annual activity. Review of the Benchmark activity for April – June 2022 identified that the costs for quarter 1 were in excess of £500k. We were advised that agreed annual activity is compared to actual activity at the end of the year with a debit or credit adjustment for variances beyond the 6% tolerance. Green Vale also processes laundry for two private sector organisations. Prices charged reflect legacy arrangements and are inflated annually. However, they have not been subject to review to establish whether represent value for money. We were advised that a standard pricing model will be implemented following completion of the All-Wales Laundry Transformational Programme which will incorporate all operating costs including replacement linen stock.	<b>Medium</b>	Reiterated from the 2021/22 audit of Llansamlet Laundry. 3.1 We concur with the plans to implement a standard pricing model following completion of the All-Wales Laundry Transformational Programme. This should incorporate all operating costs including linen stock purchases to ensure that the service is not operating at a loss.	Anthony Hayward, Assistant Director of Laundry Operations	3.1 Management accept the recommendation and acknowledge it is dependent on the transformational programme	01/04/2024	01/04/2025	
NWSSP-2223-1a	6	Procurement Services	Procurement Services - CTMUHB & SBUHB	<b>NYD</b>	One RFA had not been authorised in line with the CTMUHB scheme of delegation – the contract value was £134k but the approver had a delegated limit of £100k. Three RFAs (CTMUHB) had not been signed by the Head of Procurement to demonstrate oversight and scrutiny of the procurement process - one had not been signed at all (the contract referred to at para 2.6/Matter Arising 2) and two had been signed by the officer leading the procurement. On three occasions Procurement had signed an SLA, a short order form or a commercial term sheet on behalf of SBUHB or the supplier.	<b>Medium</b>	4.1a RFAs and contract documentation must be appropriately authorised by the health body as required and in line with the scheme of delegation. 4.1b RFAs should be approved by the Head of Procurement to demonstrate oversight and scrutiny of the procurement process and confirm compliance with procurement regulations.	4.1a Head of Procurement CTM / SB 4.1b Head of Procurement CTM/NWSSP Quality Manager.	4.1a Increased checks are now in place regarding authorised signatories aligned to CTM scheme of delegation, by Senior Procurement Manager, Assistant Head and Head of Procurement. 4.1b Historically, no clear guidance in SFIs or DMS, regarding Head of Procurement to sign RFAs, these were signed off proportionate to value by Senior Proc Business Partners/Assistant Head/Head. From Jan 2024, following discussions with DOF, Head of Procurement signs off all RFAs and STAs.	4.1a 30/11/2024 4.1b 30/11/2024		

NWSSP SSU 2324 01	7	Specialist Estates Services	Estates Funding Advisory Board	<b>NYD</b>	<p>The Bidding process was well defined within the guidance issued by NWSSP: SES to all Health Bodies. Proforma documents had also been issued to ensure a standardised approach; the forms were split into multiple sections including:</p> <ul style="list-style-type: none"> <li>•Risk and Backlog Impacts.</li> <li>•Benefits/dependencies.</li> <li>•Programme and Cashflow etc.</li> </ul> <p>The bids also required two distinct approvals:</p> <ol style="list-style-type: none"> <li>1.The Director of Finance (affordability noting the 30% Health Board contribution).</li> <li>2.Director of Estates (Deliverability).</li> </ol> <p>The truncated timescales from bid request in September to recommendation in November 2022 led to limited opportunities for revisit of bid form submission. Accordingly, the completeness of the information contained within the bids varied considerably.</p> <p>A sample of 18 approved bids from across five Health Organisations totalling £12m: circa 20% of the total investment across NHS Wales, was reviewed, with the following examples noted:</p> <ul style="list-style-type: none"> <li>•One of the criteria (set out below) within the risk and backlog impact section highlighted:</li> </ul> <p>'What is the estimated financial impact on the organisation's highest risk issues as reported through EFPMS? Where an organisation does not submit an EFPMS return reference should be made to: Corporate Risk Register; Health &amp; Safety Reports; Audit &amp; Assurances Reports.'</p> <p>Thirteen bids did not document the estimated financial impact reported through the EFPMS.</p> <ul style="list-style-type: none"> <li>•Five bids did not fully complete the programme and cashflow forecast section.</li> <li>•No verification was identified that the Director of Finance had given approval to any bids within one Health Board prior to Welsh Government submission. Although, it was evident that discussions had taken place at a senior level.</li> </ul>	<b>Medium</b>	<p>2.1 At any future EFAB lettings, bids should be fully completed as intended.</p> <p>2.2 At any future lettings, timely confirmation would be required by all NHS organisations' Directors of Finance prior to Welsh Government submission.</p>	Ray Selby - Head of Estates Development.	<p>2.1 Agreed. Bid proformas have been reviewed and will be updated to ensure that information requested can be provided (based on feedback from the Service). A lesson learned review will be undertaken at the end of the current programme (i.e. by November 2025 - 6 months after end of EFAB II programme) to further inform future lettings. An interim report was produced for WG in December 2023.</p> <p>2.2 Agreed. This was not possible given differences between EFAB timelines and respective HB internal governance procedures. We need to ensure that this is followed up and confirmed prior to any final approval, and action was taken to ensure that this happened at the EFAB Board held on the 25th November 2022. The specific example cited was also followed up and email confirmation was obtained. Coordination of governance processes has been discussed with WG and this is being factored into future scheme planning.</p>	<p>2.1 Bid proformas updated December 2024</p> <p>2.2 Initial discussions have taken place on a potential EFAB III from 25/26 to 26/27. In the event of an 'EFAB III' – December 2024</p>		
NWSSP SSU 2324 01	8	Specialist Estates Services	Estates Funding Advisory Board	<b>NYD</b>	<p>EFAB bid evaluation criteria had been developed in conjunction with the Welsh Government. Bids would be appraised with reference to 16 criteria across six categories:</p> <ul style="list-style-type: none"> <li>•Consistency</li> <li>•Risk Mitigation</li> <li>•Strategic Alignment</li> <li>•Impact</li> <li>•Affordability</li> <li>•Deliverability</li> </ul> <p>It was acknowledged that there was a pressured and challenging timescale to undertake the evaluation of circa 170 bids, circa 4 weeks from deadline of submission to the EFAB meeting where a recommendation was sought. It was clear that there was significant challenge and scrutiny by NWSSP: SES on the bids and there were multiple iterations of spreadsheets where bids were accepted and rejected with comments documented affording evidence of scrutiny. NWSSP: SES also utilised a multi-disciplinary team of internal staff to provide their professional judgement based on knowledge of respective estates to aide decision making. There were also multiple engagement exercises held with Health Boards/Trusts to aid the prioritisation of schemes.</p> <p>However, recognising the shortened evaluation timescales that were in imposed, there were opportunities to improve the records of the process at future iterations of EFAB - to provide a clearer trail from initial bids through scrutiny to award.</p>	<b>Low</b>	For any future iteration of EFAB an enhanced record of evaluation should be developed to reflect the process followed.	Ray Selby - Head of Estates Development.	Agreed. We will review the evaluation methodologies adopted by the different disciplines within SES with the aim of establishing a clearer audit trail to corroborate the recommendations. This will be considered within the wider context of developing an All-Wales Estates Risk Register, which has been incorporated as an IMTP objective. Work on an All Wales Risk Register has commenced.	In the event of future funding awards in 2025/26 – December 2024.		
NWSSP SSU 2324 01	9	Specialist Estates Services	Estates Funding Advisory Board	<b>NYD</b>	<p>A reserve list of projects had been created that coincided with the list of approved bids. However, this list was split into individual Health Board/Trusts and was difficult to identify which project on the top of each reserve list was an all-Wales priority.</p> <p>Having a single priorities reserve list would increase the transparency in the process reallocating monies e.g., in the event of slippage, amendments to approved projects etc.</p> <p>The reserve list should also be routinely revisited as emerging issue became a greater priority ensuring available funding is focussed appropriately.</p>	<b>Medium</b>	A single prioritised all Wales reserve list of EFAB projects (determined from the original bid submission) should be considered to aide decision making and revisited as appropriate.	Ray Selby - Head of Estates Development.	Agreed. A single prioritised all Wales reserve list will be established. This may require consideration of wider NHS Wales risk, strategies, and priorities to ensure consistency, which may impact the time taken to address this recommendation.	In the event of future funding awards in 2025/26 – December 2024.		

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	25 October 2024
<b>PREPARED BY</b>	Carly Wilce, Corporate Services Manager
<b>PRESENTED BY</b>	Carly Wilce, Corporate Services Manager
<b>RESPONSIBLE HEAD OF SERVICE</b>	Alison Ramsey, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	NWSSP Audit Committee Effectiveness Survey 2024
<b>PURPOSE</b>	To present the Committee with a copy of the feedback received from completion of the annual Audit Committee Effectiveness Survey, as set out at <b>Appendix 1</b> .

## 1. INTRODUCTION

The mandate of the Audit Committee is to **advise** and **assure** the Shared Services Partnership Committee (SSPC) and the Accountable Officer on whether effective arrangements are in place regarding the design and operation of NWSSP's system of governance and assurance. This supports the SSPC in its decision making and in discharging its accountabilities for securing the achievement of the NWSSP's objectives in accordance with the standards of good governance determined for the NHS in Wales.

Section 8.2.1 of the [SSPC Standing Orders](#) states:

*"The SSPC shall introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Sub-Committees, Expert Panel and any other Advisory Groups. Where appropriate, the SSPC may determine that such evaluation may be independently facilitated."*

In order to gauge the Committee's effectiveness, an electronic survey has been devised to obtain the views of Committee members across a number of themes:

- Compliance With Law and Regulations Governing NHS Wales
- Internal Control and Risk Management
- Internal Audit
- External Audit
- Counter Fraud
- Committee Leadership

NWSSP Audit Committee  
25 October 2024

## 2. EFFECTIVENESS SURVEY

The survey is based on the guidance contained within the NHS Audit Committee Handbook and to ensure both Velindre and NWSSP Committees have issued aligned survey questions.

## 3. RESULTS AND FINDINGS

Nine members and attendees of the Committee responded (*out of a total of 15*), giving a response rate of 60%, which is slightly lower from last year's rate of 70%. The survey was issued via an open anonymous link to participants and every question had the option to leave a comment for those wishing to expand.

### Feedback received

- Very positive feedback received from participants in regard to the chairing of the Committee. It is a common theme that all members feel the Committee is very well chaired, efficiently and effectively. Feedback also highlighted that the Chair has a clear grasp of the main issues and key risks the organisation could encounter.
- All members agreed that the atmosphere at meetings is conducive to open and productive debate.
- The majority of members agreed the Committee is provided with sufficient authority and resources to perform its role effectively. However, some did not agree and suggested that Velindre University NHS Trust must recruit to the position of a third independent member role, in order to comply with the Terms of Reference and avoid issues with quoracy.
- All members and attendees' behaviour is courteous and professional;
- The majority of participants have no appetite for greater use of the Welsh Language at meetings, as it could act as a barrier translators would be required and that could therefore impact the effectiveness of the Committee's business. However, it was also suggested that a discussion on the matter would be welcomed to determine what is realistically achievable.
- All respondents agreed that Audit Plans are developed from clear processes based on risk assessment with clear links to the system of assurance.
- All responders agreed that there is sufficient time to deal with planned matters and there is enough time allowed for questions and discussions.
- The majority of participants agreed the current arrangements in place, in terms of a blended approach of virtual and at least one face to face meeting per year, works well, as per the following comments:
  - *"Virtual meetings work well when coupled with occasional in person meetings."*
  - *"I believe that virtual meetings have worked well throughout the year and are in many respects, far more cost effective. The approach*

*adopted of one face to face meeting every 12 months has also been welcomed.”*

We note there were a number of *‘do not know, unable to answer’* responses to a number of scenario questions, such as *‘does the committee approve material changes to the plan?’*. As there have been no circumstances whereby the Committee has had a need to make any amendments to the plan, responses received are referring to this.

#### **4. NEXT STEPS**

The results of the survey do provide us with a rich source of information and provide assurance in terms of existing arrangements and potential areas for development, going forward, as well as any required amendments to be incorporated into the Terms of Reference. The Terms of Reference form an Annex to the Shared Services Partnership Committee Standing Orders.

#### **5. RECOMMENDATIONS**

The Committee is asked to:

- **REVIEW** and **NOTE** the findings of the Audit Committee Effectiveness Survey 2024; and
- **DISCUSS** and **AGREE** any necessary actions arising from the findings.

# Audit Committee Self-Assessment Survey 2024

	1	2	3	4	5	6	7	8	9
Does the Audit Committee have written Terms of Reference, which adequately define its role in accordance with Welsh Government guidance?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments									
Are the Terms of Reference reviewed annually to take into account governance developments (including good governance principles) and the remit of other Committees within the organisation?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments1									
Has the Audit Committee been provided with sufficient authority and resources to perform its role effectively?	Yes / Agree	No / Disagree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)
Additional comments2		Velindre UNHST does need to appoint a third member to support the two existing members to ensure quoracy.							It has been short of one Independent member for some time

	1	2	3	4	5	6	7	8	9
Does the Audit Committee report regularly to the NWSSP Partnership Committee and Velindre Trust Board?	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree
Additional comments3		Highlight report and annual report to be shared as standard					Only annual review I believe rather than regular agenda items	Highlight reports to the Velindre Trust Board have only been implemented recently.	
Does the Audit Committee prepare an Annual Report on its work and performance in the preceding year, for consideration by the NWSSP Partnership Committee and Velindre Trust Board?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments4									
Has the Audit Committee established a cycle of business to be dealt with across the year?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments5									
Does the Audit Committee meet sufficiently frequently to deal with planned matters and is enough time allowed for questions and discussions?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments6									
Is the atmosphere at Audit Committee meetings conducive to open and productive debate?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree

	1	2	3	4	5	6	7	8	9
Additional comments7		Good mix of face to face and virtual meetings to achieve this goal							
Is the behaviour of all members/attendees courteous and professional?	Yes / Agree	Yes / Agree	Yes / Agree		Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments8									
Are Audit Committee meetings scheduled prior to important decisions being made?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	No / Disagree	Yes / Agree	Yes / Agree
Additional comments9							Regular scheduled meetings in the diary rather than being tailored around important decisions.		
Do you consider that where private meetings of the Audit Committee are held (Part B), that these have been used appropriately for items that should not be discussed in the public domain (i.e. commerci	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments10		Not yet attended a Part B discussion in my new role							

	1	2	3	4	5	6	7	8	9
Would you agree that each agenda item is 'closed off' appropriately so it is clear what the conclusion is?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments11									
Would you welcome greater use of the Welsh Language at meetings?	No / Disagree	Do not know/Unable to answer (Please Explain with a comment)	No / Disagree	No / Disagree	No / Disagree	No / Disagree	No / Disagree	Yes / Agree	No / Disagree
Additional comments12	Whilst supportive of the welsh language, due to varying levels of ability among members, greater use of welsh could be a barrier to the effective undertaking of the AC's business.	I have no strong view on this - but we can do depending on the response to this survey						Appreciate that this may be difficult and would entail the use of simultaneous translators. Would welcome a discussion as to what is achievable realistically.	
Would you agree that your experience of holding remote/virtual meetings of the Audit Committee has been positive? Please leave a comment to detail further.	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree

	1	2	3	4	5	6	7	8	9
Additional comments13	Virtual meetings work well when coupled with occasional in person meetings.							I believe that virtual meetings have worked well throughout the year and are in many respects, far more cost effective. The approach adopted of one face to face meeting each 12 months has also been welcome.	
Does the Audit Committee review assurance and regulatory compliance reporting processes?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	
Additional comments14		Would be timely to do a completeness check on this as the range of NWSSP services has grown in recent years.							

	1	2	3	4	5	6	7	8	9
Does the Audit Committee have a mechanism to ensure awareness of topical, legal and regulatory issues?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	
Additional comments15		Through the Asst Director of Corporate Services and deep dive discussions							
Has the Audit Committee formally considered how it integrates with other Committees that are reviewing risk (e.g. Risk Management)?	Do not know/Unable to answer (Please Explain with a comment)	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	
Additional comments16		NWSSP does not have many subcommittees so N/A							
Has the Audit Committee reviewed the robustness and effectiveness of the content of the organisation's system of assurance?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments17		The Annual Governance Statement summarises the NWSSP assurance arrangements							

	1	2	3	4	5	6	7	8	9
Do you consider that the reports received by the Audit Committee are timely and have the right format/content, to enhance it to discharge its internal control and risk management responsibilities?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments18								Further work required to reduce the volume of paperwork submitted to the Committee.	
Is there clarity over the timing and content of the assurance statements received by the Audit Committee from the Head of Internal Audit?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments19									
Are the Charter or Terms of Reference approved by the Audit Committee and regularly reviewed?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments20									
Does the Audit Committee review and approve the Internal Audit Plan at the beginning of the financial year?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments21									

	1	2	3	4	5	6	7	8	9
Does the Audit Committee approve any material changes to the Plan?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	No / Disagree	Yes / Agree	Yes / Agree
Additional comments22		New to the Committee							
Are Audit Plans derived from clear processes based on risk assessment with clear links to the system of assurance?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments23									
Does the Audit Committee receive periodic progress reports from the Head of Internal Audit?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments24									
Does the Audit Committee investigate the reason for management refusal to accept audit recommendations?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree
Additional comments25								Generally, there are relatively few instances where management refuses to accept audit recommendations.	
Does the Audit Committee effectively monitor the implementation of management actions from Audit Reports?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree

	1	2	3	4	5	6	7	8	9
Additional comments26		tracker in place							
Does the Head of Internal Audit have a direct line of reporting to the Audit Committee and its Chair?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments27									
Does the Audit Committee review the effectiveness of Internal Audit and the adequacy of staffing and resources within Internal Audit?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	No / Disagree	Yes / Agree
Additional comments28		New to Committee							
Has the Audit Committee evaluated whether Internal Audit complies with the Public Sector Internal Audit Standards (PSIAS)?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Do not know/Unable to answer (Please Explain with a comment)
Additional comments29									
Has the Audit Committee agreed a range of Internal Audit performance measures to be reported on a routine basis?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree
Additional comments30									
Does the Audit Committee receive and review the Head of Internal Audit's Annual Report and Opinion?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments31									

	1	2	3	4	5	6	7	8	9
Do the Auditor General's representatives present their Audit Plans and Strategy to the Audit Committee, for consideration?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments32									
Does the Audit Committee receive and monitor actions taken in respect of previous years' reviews?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments33									
Does the Audit Committee consider the Auditor General's Annual Audit Letter?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments34									
Does the Audit Committee assess the quality and effectiveness of External Audit work (both financial and non-financial audit)?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments35									
Does the Audit Committee review the nature and value of non-statutory work commissioned by organisation from the Auditor General?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	No / Disagree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments36		N/A to NWSSP							
Does the Audit Committee review and approve the Counter Fraud Work Plan at the beginning of the financial year?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments37									

	1	2	3	4	5	6	7	8	9
Does the Audit Committee satisfy itself that the Work Plan adequately covers each of the seven generic areas defined in the NHS Counter Fraud Policy?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments38									
Does the Audit Committee approve any material changes to the Plan?1	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree
Additional comments39									
Are Counter Fraud Plans derived from clear processes based on Risk Assessment?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)
Additional comments40									
Does the Audit Committee receive periodic reports from the Local Counter Fraud Specialist?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments41									
Does the Audit Committee effectively monitor the implementation of management actions arising from Counter Fraud reports?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)
Additional comments42									
Does the Local Counter Fraud Specialist have a right of direct access to the Audit Committee and its Chair?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree

	1	2	3	4	5	6	7	8	9
Additional comments43									
Does the Audit Committee review the effectiveness of the Local Counter Fraud Service and the adequacy of its staffing resources?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree
Additional comments44								Note that NWSSP employs its own Counter Fraud Specialist	
Does the Audit Committee receive and review the Local Counter Fraud Specialist's Annual Report of Counter Fraud Activity and Qualitative Assessment?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments45									
Does the Audit Committee receive and discuss reports arising from quality inspections by NHS Counter Fraud Authority?	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree
Additional comments46		Not sure whether these have taken place within NWSSP							
Do you consider that Audit Committee meetings are chaired effectively and with clarity of purpose and outcome?	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree

	1	2	3	4	5	6	7	8	9
Additional comments47				The chair always constructively challenges and chairs the meeting very effectively. He clearly has a good grasp of the main issues and key risks facing the organisation.				Inappropriate that I give a view on this question.	
Do you consider that the Audit Committee Chair provides clear and concise information to the governing body on the activities of the Audit Committee and the implication of all identified gaps in assur	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Yes / Agree	Do not know/Unable to answer (Please Explain with a comment)	Yes / Agree
Additional comments48								Inappropriate that I give a view on this question	

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	25 October 2024
<b>PREPARED BY</b>	Carly Wilce, Corporate Services Manager
<b>PRESENTED BY</b>	James Quance, Assistant Director of Finance & Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Alison Ramsey, Director of Finance & Corporate Services
<b>TITLE OF REPORT</b>	Audit Committee Forward Plan 2024-25

**PURPOSE**

To provide a summary of items expected to be presented at forthcoming Audit Committee meetings, scheduled for 2024-25.

Month	Standing Items	Audit Reports	Governance	Annual Items
<b>Q1 2024/25</b> <b>16 April 2024</b> <b>Via Microsoft Teams</b>	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement NWSSP Update	<b>Internal Audit</b> As outlined in the Internal Audit Operational Plan  <b>External Audit</b> Audit Assurance Arrangements for NWSSP 2023-24	Governance Matters  Tracking of Audit Recommendations  Corporate Risk Register	2024-25 Counter Fraud Annual Plan  Internal Audit Operational Plan 2024-25 and Internal Audit Charter  IMTP
<b>Q2 2024/25</b> <b>25 July 2024</b> <b>In person meeting at IP5 in Newport</b>	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement NWSSP Update	<b>Internal Audit</b> As outlined in the Internal Audit Operational Plan	Governance Matters  Tracking of Audit Recommendations  Corporate Risk Register  Review of Audit Committee Terms of Reference  TrAMS Update	Final Annual Governance Statement  Head of Internal Audit Opinion and Annual Report  Gifts & Hospitality Annual Report Declarations of Interest Annual Report  Counter Fraud Annual Report  Welsh Language Annual Report  Audit Committee Annual Report  NWSSP Annual Review  Information Governance Annual Report
<b>Q3 2024/25</b> <b>25 October 2024</b> <b>Via Microsoft Teams</b>	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report	<b>Internal Audit</b> As outlined in the Internal Audit Operational Plan	Governance Matters  Tracking of Audit Recommendations	Audit Committee Effectiveness Survey Results

	Counter Fraud Position Statement  NWSSP Update	Quality Assurance & Improvement Programme  <b>External Audit</b> Audit Wales Nationally Hosted IT Systems Report  Audit Wales Management Letter	Corporate Risk Register	
<b>Q4 2024/25</b> <b>21 January 2025</b> <b>Via Microsoft Teams</b>	Minutes & Matters Arising  External Audit Position Statement  Internal Audit Progress Report  Counter Fraud Position Statement  NWSSP Update	<b>Internal Audit</b> As outlined in the Internal Audit Operational Plan  <b>External Audit</b> Audit Wales Office Proposed Audit Work	Governance Matters  Tracking of Audit Recommendations  Corporate Risk Register  Review of Risk Management Protocol, Risk Appetite Statement and Assurance Mapping  Review of Standing Orders for the Shared Services Partnership Committee	Annual pre-meet between Audit Committee Chair, Independent Members, Internal and External Auditors and Local Counter Fraud  IMTP