

NWSSP Audit Committee Meeting - Part A

Wed 05 February 2025, 13:00 - 15:00

Microsoft Teams

Agenda

13:00 - 13:15 **1. Standard Business**

15 min

Gareth Jones, Chair

1.1. Welcome & Introductions

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 October 2024

Gareth Jones, Chair

 1.4 Draft Audit Committee Minutes.pdf (13 pages)

1.5. Matters Arising

Gareth Jones, Chair

 1.5 Matters Arising.pdf (2 pages)

13:15 - 13:25 **2. NWSSP Update**

10 min

2.1. Managing Director Update

Neil Frow, Managing Director

 2.1 Managing Director Report February 2025.pdf (7 pages)

13:25 - 13:40 **3. Counter Fraud**

15 min

Mark Weston, Local Counter Fraud Lead

3.1. Progress Update

Mark Weston, Local Counter Fraud Lead

 3.1NWSSP Q3 2024 2025 LCFS Progress Report.pdf (8 pages)

13:40 - 13:50 **4. External Audit**

10 min

Steve Wyndham, Audit Wales

4.1. Audit Wales Update

Steve Wyndham, Audit Wales

 4.1 Audit Wales update paper.pdf (2 pages)

13:50 - 14:35

45 min

5. Internal Audit

James Johns, Head of Internal Audit

5.1. Progress Update

James Johns, Head of Internal Audit

 5.1 Internal Audit Progress Report Feb 25.pdf (8 pages)

5.2. Internal Audit Reports

James Johns/Sophie Corbett, Internal Audit


5.2.1. Procurement Capital Equipping

Sophie Corbett, Internal Audit and Jonathan Irvine, Director of Procurement, Supply Chain Logistics and Transport and Laundry Services

 5.2.1 Procurement Services - Capital Team - Final Report.pdf (20 pages)

5.2.2. Accounts Payable

James Johns/Sophie Corbett, Internal Audit

 5.2.2 Accounts Payable Final Internal Audit Report.pdf (9 pages)

5.2.3. Digital Service Management

James Johns/Sophie Corbett, Internal Audit

 5.2.3 IT Digital Service Management Final.pdf (7 pages)

5.2.4. Recruitment Services

James Johns/Sophie Corbett, Internal Audit

 5.2.4 Recruitment Services Final Report.pdf (6 pages)

5.2.5. Health & Safety

James Johns/Sophie Corbett, Internal Audit

 5.2.5 Health & Safety Final Report.pdf (7 pages)

5.3. New Global Internal Audit Standards

Presentation

Simon Cookson, Director of Audit & Assurance Services

14:35 - 14:55

20 min

6. Governance, Assurance & Risk

6.1. Governance Matters

Alison Ramsey, Director of Finance & Corporate Services

📄 6.1 Governance Matters February 2025.pdf (17 pages)

6.2. Corporate Risk Register

James Quance, Assistant Director of Corporate Service

📄 6.2 Corporate Risk Register Cover Paper Jan 2025.pdf (2 pages)

📄 6.2 Corporate Risk Register Feb 2025.pdf (4 pages)

6.3. Tracking of Audit Recommendations

James Quance, Assistant Director of Corporate Service

📄 6.3 Tracking of Audit recommendations report February 2025 .pdf (3 pages)

📄 6.3 Appendix A Audit Recommendations Feb 25.pdf (1 pages)

6.4. Proposed Forward Plan of Business for 2025/26

James Quance, Assistant Director of Corporate Service

📄 6.4 Proposed Forward Plan of Business 2025-26.pdf (3 pages)

14:55 - 15:00 **7. Items for Information**
5 min

15:00 - 15:00 **8. Any Other Business (by Prior Approval Only)**
0 min

Gareth Jones, Chair

15:00 - 15:00 **9. Date & Time of Next Meeting 15 April 2025**
0 min

Gareth Jones, Chair

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

**MINUTES OF THE MEETING HELD ON
FRIDAY 25 OCTOBER 2024 / 10:00-12:00
BY TEAMS APPOINTMENT**

EXPECTED ATTENDEES:		
ATTENDANCE	DESIGNATION	
INDEPENDENT MEMBERS:		
Gareth Jones (GJ) Chair	Independent Member	
Vicky Morris (VM)	Independent Member	
ATTENDANCE	DESIGNATION	ORGANISATION
Alison Ramsey (AR)	Director of Finance and Corporate Services	NWSSP
Andrew Strong (AS)	IT Audit Manager	Audit Wales
Carly Wilce (CW)	Corporate Services Manager	NWSSP
Carl James (CJ)	Interim Chief Executive Officer	Velindre
James Johns (JJ)	Head of Internal Audit	NWSSP
James Quance (JQ)	Assistant Director of Corporate Services	NWSSP
Khadija Uddin (KU)	Management Trainee, observing	NWSSP
Lindsay Payne (LP)	Deputy Director of Finance & Corporate Services	NWSSP
Mark Weston (MW)	Local Counter Fraud Specialist	NWSSP
Matthew Bunce (MB)	Director of Finance	Velindre
Murray Gard (MG)	Auditor	NWSSP
Neil Frow (NF)	Managing Director	NWSSP
Simon Cookson (SC)	Director of Audit & Assurance	NWSSP
Sophie Corbett (SCo)	Deputy Head of Internal Audit	NWSSP
Steve Wyndham (SW)	Audit Lead	Audit Wales
Jillian Haynes (JH)	Secretariat	NWSSP

Item		Status
1. WELCOME		
1.1	Welcome and Opening Remarks (GJ) The Chair welcomed members to the meeting. He also welcomed Khadija Uddin, a management trainee, who was observing the meeting. The Chair apologised for amending the date of the meeting, but the Committee would not have been quorate on the original date due to unavoidable commitments.	
1.2	Apologies (GJ) Apologies were received from Tracy Myhill, Chair of NWSSP who was unable to make the revised date and Non Gwilym, Interim Director of Corporate Governance for Velindre. Neil Frow, Managing Director for NWSSP, had also sent apologies but then attended for a short while.	
1.3	Declarations of Interest (GJ) No declarations of interest were presented.	
1.4	Minutes of Meeting held on 25 July 2024 (GJ)	

Item		Status
	The minutes of the meeting held on 25 July 2024 were AGREED as a true and accurate record of the meeting.	
1.5	<p>Matters Arising from the Meeting on 25 July 2024 (GJ)</p> <p>All matters arising were complete with the exception of:</p> <p><u>Action: 4.2.4 for Corporate Services - Procurement Services – CTM UHB & SBUHB.</u> The action was to update the Audit Committee on the outcome of the review from Procurement Services. AR reported that no response had been received despite best efforts and so the action was ongoing. This had concerned exceptions highlighted in the audit report which Procurement was following up. GJ had asked for an update for the October meeting. AR explained that work was still in progress, but she would speak with Jonathan Irvine and revert to members by email.</p> <p>Action: AR would follow up with Procurement colleagues on the reason for the delay of the review and update members by email of the outcome.</p> <p>[Note Jonathan Irvine would attend the January meeting of the Committee to provide an update]</p> <p>The Committee NOTED the report and APPROVED the Matters Arising subject to the above amendment, as detailed.</p>	AR
2. NWSSP Update		
2.1	<p>Managing Director’s Update (AR)</p> <p>AR presented the item.</p> <p>Finance - A cumulative surplus of £2.171m was recorded at Month 6. The surplus against core operational budgets was due to ongoing turnover and delays with recruitment. The Welsh Risk Pool forecast remained on target at £139.9m. The current capital allocation remained at £6.6m. The bid for additional capital slippage monies had been submitted to Welsh Government on 30 September.</p> <p>IMTP - At the end of the second quarter, 77% of NWSSP’s objectives were on track to be delivered in-year. Fewer objectives were agreed for the year as compared to previous years. Progress was monitored via Quarterly Performance Reviews, chaired by the Director of Planning, Performance and Informatics.</p> <p>Radiopharmacy - The business case had been submitted in August. Detailed design reviews took place in September-October. Planning permission was expected imminently. The final cost analysis would confirm the level of uncommitted contingency. The project was within the capital budget presented to the Shared Services Partnership</p>	

Item		Status
	<p>Committee (SSPC) in July. The earliest date for building to begin was expected to be November, with a potential service launch in July.</p> <p>The focus for the South-East Hub was around agreeing the revenue baseline, preferred option operating costs and benefits, and overall revenue funding profile and organisational shares.</p> <p>AR added that planning permission was still awaited and reminded members that the application covered the hub in its entirety. Correspondence had been received from the Council requesting an Emissions Review. Council members had been invited on a tour of IP5 which had provided them with an opportunity to ask questions. The proposal was six weeks behind schedule as a result of the delay. The Finance Group had met regularly. AR would update the SSPC in November and she expected to be able to present the outline business case to the January SSPC meeting for approval.</p> <p>GJ noted that the earliest date for commencement of building would be November with a launch in July 2025 and he asked how this compared to the original plan. AR stated that in terms of the BJC, the plan was to make the site ready in Q1 and bring the staff on board, but the deadline was tight with not much contingency. Q2 would have been the earliest launch period.</p> <p>Laundry Service - The model had operated successfully for four months. Staff were employed from the Church Village laundry and usage of agency staff had been eliminated. The conversion of the Carmarthen laundry into a hub continued. In July, the North Wales unit achieved the BS14065 Decontamination Standard; Swansea and Greenvale would be assessed similarly. A series of equipment failures had been experienced on several sites, but these were rectified with little impact.</p> <p>Regarding the equipment failures, GJ asked how exactly they had been overcome and how resilient were services to future failures. AR stated that there had been investment across the four residual sites. Albeit less investment than originally planned in the Transformation Programme due to limitations on capital funding.</p> <p>The service had moved out of Glangwili, but the laundry estate was in a poor state generally, and capital received would top up the backlog repair and maintenance requirements, rather than be used for service improvement and transformation. Greater resilience had resulted as a consequence of the new operating model and management of all of the sites on an All Wales basis, so that services could be redeployed as necessary. The laundry team was monitoring and reviewing progress.</p> <p>Medical Examiners' Service - The new legislation came into force on 9 September. An independent medical examination prior to the registration of all non-coronial deaths had become a statutory requirement. Data disclosure agreements would be updated. AR added</p>	

Item		Status
	<p>that the NWSSP was working closely with GPs in regard to this service and activity levels would be monitored.</p> <p>Accommodation Update - Negotiations on NG2 had officially ceased due to the landlord's inaction; alternative options were being explored. A reduced footprint had been achieved in Companies House (CH), with a contract extension to April 2025 and a subsequent rolling agreement. AR confirmed that the number of staff located at CH post-Covid was 85-100 approximately. The existing lease for HQ had also been extended and alterations were being made to the ground floor.</p> <p>GJ enquired if it was known why the landlord had not been forthcoming, but no reason had been offered. NG2 had been vacant for nearly four years so the lease would have been financially advantageous to the lessor and the underlying reasons for the lack of engagement from the landlord are not known. The risk presented by this setback had been added to the Corporate Risk Register. AR clarified for members that the risk involved the financial planning around the commitment, the insecurity and wellbeing of staff and the relationship with trade unions. AR agreed with VM that the risk could be more detailed for clarification purposes.</p> <p>Action: JQ to clarify and detail the corresponding risk around office accommodation.</p> <p>System Developments - NF had attended Workforce Solution meetings around enhancing the Electronic Staff Record system. The current contract would be extended to March and a new contract awarded in the spring. The ongoing delays with the implementation of the Primary Care Workforce Intelligence System had been added to the Corporate Risk Register.</p> <p>Personal Protective Equipment (PPE) – Discussions continue to be held regarding the level of PPE stock that Welsh Government requires NWSSP to hold. As a core participant in Module 5, the Covid-19 Inquiry had demanded extensive requests for evidence and statements.</p> <p>Medicines Buffer Stock - Procurement staff were discussing purchasing plans with suppliers to establish required stock levels.</p> <p>Staff Movement Advice App – October saw the first All-Wales Recovery of Salary Overpayments Procedure come into effect. In order to prevent overpayments occurring in the first place, a staff movement advice app was being piloted for managers to communicate quickly with payroll.</p> <p>Other</p> <ul style="list-style-type: none"> • The SSPC had organised a development day on 11 October. • The salary uplift would be paid in November, with back pay to April. Lower paid staff would be offered a phased payment structure. • Nominations were being sought for NWSSP staff awards. 	<p>JQ</p>

Item		Status
	<ul style="list-style-type: none"> • There were no changes to senior staffing in the period. • NWSSP had become one of Wales's 'corporate parents' involving a commitment to working with the Welsh Government to ensure that minors in care would have the same opportunities as others. • NWSSP had become an Armed Forces Covenant employer. • The Anti-Violence Collaborative was available to support colleagues and service users when incidents occurred. <p>GJ queried the sentence on page 1 which highlighted a surplus in core operational budgets due to 'the ongoing turnover of staff'. LP explained that there was a regular staff turnover, but also an irregular slippage due to vacancies not being filled immediately, or the inability to recruit.</p> <p>GJ asked how much was involved in the bid for additional capital slippage monies. AR clarified that the additional bid submitted had been £7.62m, i.e. in addition to the Capital Expenditure Limit of £6.11m. £523k had been allocated from the request as a first tranche.</p> <p>The Committee NOTED the report.</p>	
3. EXTERNAL AUDIT		
3.1	<p>Audit Wales Update - October 2024 (SW)</p> <p>SW summarised the paper and drew members' attention to the following:</p> <p>The Committee had asked SW whether Audit Wales could continue to review the work of internal audit, noting that it would not be part of the audit approach for Audit Wales going forward as previously reported. He explained that he had explored this request with the Law & Ethics team, but it had been decided that this work did not fall within scope of their opinion work. Therefore, as confirmed in paragraph 4, it would not be possible to follow up on this request. SC stated that while external audit used to review NWSSP's compliance to processes, the teams would perform that work in lieu and therefore it did not make a significant difference to not have Audit Wales involved. SW agreed; limited assurance only could have been offered. VM noted that the new standards and gap analysis would provide a good indication of compliance as detailed information would be received; SC agreed.</p> <p>SW drew attention to the NFI report which was available on the website and he included it in the Teams chat.</p> <p>AR added that a new series of Counter Fraud Steering Group meetings had been organised for 2024-25. The inaugural meeting would be held on 5 November and Nuria Zolle of SBUHB would represent the Chair of Audit Committee Chairs.</p>	

Item		Status
	<p>VM had noted that the assurance work for 2024/5 had not commenced until early 2025 and asked why that was the case. SW explained that the work cycle had always followed this pathway, so there was no actual delay this year. The work was being performed for external auditors, not for the NWSSP, and the later in the year the work was completed, the greater the assurance can be offered. AR added that she had met with SW and LP in the previous week to identify some areas of risk and a workplan had been discussed; the deadline for account submission had been brought forward to the end of June from mid-July. GJ stated that the concern was around whether there was sufficient time to complete the work by the required date. SW reported that a journey of improvement had been experienced in getting the work on track. He assured members that the priority for 2024/2025 would be the NHS audit.</p> <p>The Committee NOTED the report.</p>	
3.2	<p>Management Letter 2023-24 (SW)</p> <p>This document detailed the assurance provided to the NHS Audit teams. The report provided an opportunity to feedback summarised findings to NWSSP and the Audit Committee. There were no issues or recommendations to present for the second consecutive year. AR wanted to thank LP and the Finance & Corporate Services team for their diligence in achieving this position. The letter would be shared with the SSPC. VM agreed it was a good report with no major recommendations and enquired how the minor recommendations would be tracked. AR replied that minor issues would be followed up as part of planning discussions with external audit. GJ suggested that the wording of the letter could be more positive and asked that his comment be considered for future Management Letters.</p> <p>The Committee NOTED the Management Letter.</p>	
3.3	<p>Audit Wales Nationally Hosted IT Systems Report 2023-24 (AS)</p> <p>AS reported that the IT audit had determined that, while the controls examined were likely to be free from material misstatement, some controls could be strengthened as detailed on p24 of the report. A table on p10 at Exhibit 1, offered five recommendations for 2023/24 and most were underway, with some already completed. The management response was reported at Appendix 1 and target implementation dates were included. Previous years' recommendations were largely complete.</p> <p>GJ suggested highlighting the target dates for the recommendations. AS agreed.</p> <p>GJ enquired whether the Oracle disaster recovery plan (para 21, p10) was within the NWSSP's control. It was explained by AS that the new system was based in a data centre in Slough, rather than Cardiff, using different connectivity and so this would be an appropriate time to update</p>	

Item		Status
	<p>the recovery plan in the event of any disaster. Stuart Fraser of the NWSSP Oracle Team was working on the controls and resilience of the system. AR added that the program had migrated to the cloud on the previous weekend, and the planning and testing beforehand had resulted in a successful migration. NWSSP staff had been allowed access to the data centre to inspect processes in operation, in order to offer assurance. The Audit Committee noted that as per the recommendations identified, a scripted disaster recovery plan would be an added assurance and good practice and progress would be monitored and reported via the Audit Recommendation Tracker.</p> <p>The Committee APPROVED the report.</p>	

4. INTERNAL AUDIT

4.1	<p>Progress Report – October 2024 (JJ)</p> <p>JJ introduced the key points of the Progress Report for October 2024 which set out the progress of the delivery of the Internal Audit Plan. Section 2 outlined the finalised report since the Committee had last met. The NHS Building for Wales Framework Invitation to Tender Stage had achieved reasonable assurance.</p> <p>A new electronic audit system had been introduced (ERAS). The division had created a new audit report template and this would be implemented in the forthcoming year.</p> <p>New Global Internal Audit Standards would become effective in January. JJ advised that there would be no significant impact on the team. SC stated that the new standards required more evidence; there was a increased compliance documentation to complete, for example to evidence the application of professional scepticism.</p> <p>NF asked SC what discussions he had held with the Audit Committee Chairs’ Group; SC had kept the group up to date on issues. The group had read the detailed review of the new standards and decided that it would be necessary to provide the evidence in a different way. SC would be able to give a more detailed update at the next Audit Committee Chairs’ meeting. NF asked SC if they had a view on the new standards and stated that it was important that the Chairs’ Group contributed to discussions. GJ stated they had not delved into the detail of the new standards as yet.</p> <p>GJ asked AR if the members should rely on what internal audit was relaying about the standards or whether she thought the members should review it for themselves. AR stated that there would be an element of self-assessment by SC and his team and the external qualitative review would follow. An element of judgement was involved rather than detailed testing. MB stated that he would review the standards to fully understand their implications for the Trust, but he did not envisage much more work as a result. SC stated that any work</p>	
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Item		Status
	<p>regarding the new standards was undertaken with the Directors of Corporate Governance and significant changes would be discussed with them. There was also a sub-group to discuss those issues.</p> <p>The Committee NOTED the report.</p>	
<p>4.2</p> <p>4.2.1</p>	<p>Internal Audit Reports (JJ)</p> <p>NHS Building for Wales Framework Invitation to Tender Stage Review (MG)</p> <p>MG reported that the review focused on the controls in place at the invitation to tender stage, which was a second review following on from the earlier post-qualification stage review. Positive practices had been implemented. Delays were highlighted due to engagement on the framework approval, which was however, beyond NWSSP's control. MG updated members that Welsh Government had approved the framework and contracts were being executed. A Lessons Learned exercise would be conducted and completed by May 2025, to align with the strategic Framework Board meetings. A reasonable level of assurance had been awarded.</p> <p>The Committee NOTED and APPROVED the report.</p>	
<p>4.3</p>	<p>Quality Assurance Improvement Programme (SC)</p> <p>This programme confirmed compliance with the prevailing standards. SC confirmed that the new standards would be implemented from April 2025 but that next year's report would be based on the old standards as it would be retrospective. The key external review was the five yearly cycle of external quality assessments. There would be a practice run to examine the effect of the new standards in more detail, once implemented. Far more evidence had been requested and it would need to be sufficiently detailed. All audits conducted were scrutinised by, for example, the Audit Committee, and the reports were forwarded to all other organisations in NHS Wales which in itself was an effective quality control.</p> <p>The Committee APPROVED the report.</p>	
5. COUNTER FRAUD		
<p>5.1</p>	<p>Progress Update Report (MW)</p> <p>MW reported that there were two new cases of fraud identified in the last quarter. At 30 September, 103 days of counter fraud work had been completed against the agreed 210 days for the financial year. He detailed the split between proactive and reactive work in the period. E-learning training had increased and he credited AR with motivating managers. Targeted engagement with staff was proving effective. Fraud awareness was included in the induction toolkit for new starters.</p>	

Item		Status
	<p>There were seven ongoing investigations and one new referral in the period. There had been two significant cases raising the NHS fraud profile in the media: a CTM nurse had received a five-year sentence and a salary sacrifice scam had been uncovered when an iPhone had been purchased. Another eleven salary sacrifice scam cases were discovered in England at a total cost of £11k. Collaboration with colleagues had uncovered a new fraud trend. Investigations were ongoing to identify risks. Other similar crimes outside the NHS had been uncovered totalling £40k.</p> <p>NHS CFA had issued a National Proactive Exercise to be undertaken by all NHS bodies between April-October 2024 but the deadline had been extended and it would be completed in the coming months. MW detailed the recent Fraud Prevention Notices and Intelligence Bulletins.</p> <p>VM commended MW on the training statistics which showed excellent collaboration between colleagues. NF agreed that the targeted approach had been very effective and reiterated that management was keen to avoid further mandatory courses, so as not to overburden staff. AR added that the dashboard was useful in determining training levels and highlighting staff who were not office based to ensure they were included in training offered.</p> <p>The Committee NOTED the report.</p>	

6. GOVERNANCE, ASSURANCE AND RISK

6.1	<p>Governance Matters (AR)</p> <p>AR reminded members of previous discussions around conflicts of interest within Procurement. Statistics had been included in the report which highlighted that higher banded staff were compliant with their conflict submissions, but there was a risk around lower banded staff; although they would be unlikely to be involved in contract negotiations. AR would continue working with the Director and the team on this matter.</p> <p>AR drew members' attention to retrospective and non-compliant procurement activity and proactive work which was ongoing, for example, a development session held with NWSSP Senior team and the Procurement team on good practice. Similarly, the Accounts Payable team had introduced the 'No PO, No Pay' policy and suppliers had been contacted with an outline of the refreshed approach to tightening up processes. There had been incremental progress but generally, it was a work in progress.</p> <p>VM stated that in Appendix 1 there were references to Procurement not being involved in CIVAS contract negotiations. AR replied that this was a new service and former custom and practice arrangements were being uncovered. She confirmed Procurement are now working closely with</p>	
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Item		Status
	<p>pharmacy services in order to determine imminent contracts and to become more familiar with the expenditure in that new division.</p> <p>VM noted the multi-quote portal which processed quotations and asked if it was a new facility. AR replied that it was not new but not everyone was aware of it as a useful tool. The quotation procedure was to contact Procurement in the first instance who would then advise on the appropriate procurement route including use of Multiquote where applicable.</p> <p>VM also noted that Appendix B referenced a £12m meat bill for which NF and TM had authorised, which was a routine purchase as part of an All-Wales contract and AR was asked whether expenditure limits may need to be amended for future contracts, due to a fluctuating market. AR responded that this was a routine area of expenditure, and standard procurement procedures were already in place and therefore a further revision to the NWSSP Standing Orders for the operation of the Shared Services Partnership, Scheme of Delegation is not required at this stage.</p> <p>GJ stated that the non-compliant awards were all of a relatively low value, and while there was no excuse for the way they had been awarded, he assumed that a larger cost would have triggered other controls. AR replied that purchases over £25K would trigger the tender process and she suggested that there had been some confusion over smaller amounts in the past. She was encouraging managers to liaise with Procurement on all contracts, as this procedure would highlight approved suppliers and support value for money and quality. MB stated that the Trust is also trying to change behaviours which have developed in the past. Formerly, for contracts between £5k and £25k, staff were allowed to approach suppliers directly in order to obtain quotes, but this would not be considered best practice. LP re-enforced that it was unlikely a supplier would supply goods without a PO number if the purchase was for a significant amount.</p> <p>GJ referenced page 11 of the report and inquired if there was an update on the requested approval at Item 3 on the table, showing the all-Wales contracting activity, i.e. the Secondary Care Benchmarking System. He noted that the request had been sent on 20 May and subsequently followed up, but to date there appeared to be no official response. He asked if this was still the case. AR replied that JQ would enquire and she assured GJ that the contract would not have been awarded without approval.</p> <p>Action: JQ would follow up and update the Committee on Item 3: Secondary Care Benchmarking System.</p> <p>The Committee NOTED the report.</p>	JQ
6.2	<p>Corporate Risk Register (JQ)</p> <p>JQ advised that there were 14 risks listed in the report and detailed the 6 highest risks, including A13 and A14 which were new in the period.</p>	

Item		Status
	<p>A5a and A5b: regarding the Decarbonisation Action Plan.</p> <p>A10: regarding RadioPharmacy and TrAMS services.</p> <p>A12: regarding insufficient capital to develop the IMTP/fund ministerial priorities.</p> <p>A13: the Primary Care Workforce Information System supplier dispute had experienced launch delays. The risk score had risen from 15 to 20. The recorded target date was 31 October and a decision was imminent regarding alternative strategies. There were concerns with the quality of the product which was being worked through and substantial slippage as a result. A product demonstration was planned in the following week but was contingent upon the supplier being able to demonstrate a viable product.</p> <p>A14: the risk that suitable office accommodation would not be found when the two current local office accommodation leases expire.</p> <p>Regarding Risk A6, preparedness for a future pandemic, this had been discussed at the SLG in the previous week and it was noted that there was increasing activity on learning nationally that would need to be reflected in the actions against this risk. Activity around the Covid-19 Inquiry continued.</p> <p>JQ had suggested that focus on target dates was imperative in this period in order that actions recorded could meet realistic targets. VM stated that it was satisfying to see active management processes achieving target scores. Continual monitoring was reassuring to members. GJ stated that there was increased concern at the Trust Board regarding progress on the risk of TrAMS at A10, and he asked AR how to progress the project. AR asked if the concerns held by the Trust were being raised to the TrAMS Programme Board which is the appropriate forum. MB would follow up on this query and AR would also discuss it with Colin Powell.</p> <p>Action: MB would check communication channels for the Trust within the TrAMS project via Bethan Tranter to determine whether she was aware of the various concerns, had raised them at the Project Board and to check on progression.</p> <p>MB wanted clarity on the issues but would endeavour to determine any problems. GJ suggested that delays might lead to a threat to patients services. He noted that 31 March was the next review date and wondered if this was too far ahead. AR added that there was the added national risk of fragility of services and all partners, NWSSP and Welsh Government are agreed that this is a critical programme that needs to be delivered at pace. JQ clarified that the 31 March date in the risk register was for the target risk score and the risk is kept under constant review and overseen by the Senior Leadership Group at each meeting.</p>	<p>MB</p>

Item		Status
	<p>GJ agreed that Risk A14, re: office accommodation, was a disruption to staff, but also had wider implications; this risk should be clarified and extended.</p> <p>Action: JQ would clarify and extend Risk A14 re: office accommodation.</p> <p>The Committee NOTED the report.</p>	JQ
6.3	<p>Tracking of Audit Recommendations</p> <p>A data cleanse had been implemented to archive audit recommendations prior to 2020-21.</p> <p>JQ reported that the current position was very positive with just one overdue recommendation, for NWSSP to engage with health bodies to determine whether retrospective checking was required for invoices below £500. The All-Wales P2P group had created an action plan for additional controls. The recommendations had been approved by the P2P Governance Group and a proposal would be presented to the SSPC in November. The deadline had been extended and the recommendation would remain overdue until finalised. All other recommendations were on track or already implemented.</p> <p>There were no recommendations outstanding.</p> <p>The Committee NOTED the report.</p>	
6.4	<p>Audit Committee Effectiveness Survey (CW)</p> <p>CW reported that the survey was completed annually and it highlighted potential areas of development. The completion rate for 2024 was 60%, i.e. lower than the previous year at 70% (i.e. 9 of 15 members). Members had contributed to a very positive position as laid out in the paper. The query regarding Welsh language speakers remained open. JQ suggested that in future years the survey could be amended to make it more informative.</p> <p>VM queried the feedback in the survey regarding the need for a third Committee member. The number of independent members was being addressed and interviews were taking place. MB reported that the Trust had experienced some challenges in attracting people into non-executive roles.</p> <p>The Committee NOTED the document.</p>	
7. ITEMS FOR INFORMATION		
7.1	Audit Committee Forward Plan 2024-25 (GJ)	

Item		Status
	<p>The Plan had been based on previous years' information and known items for the year ahead.</p> <p>The Committee NOTED the document.</p>	
8. ANY OTHER BUSINESS - BY PRIOR APPROVAL ONLY		
	There was no other business to discuss.	
9. DATE/TIME OF NEXT MEETING		
	The next meeting would be held on 21 January 2025 at 14:00-16:00.	

Actions arising from the meeting held on 25 October 24				Action by
4.2.4	AR	<p>Procurement Services – CTMUHB & SBUHB AR would follow up with Procurement colleagues on the reason for the delay of the review and update members by email of the outcome.</p> <p>[Note Jonathan Irvine will attend the February meeting of the Committee to provide an update]</p>	<p>Complete Meeting appointment has been shared with the Director of Procurement Services, supply Chain Logistics and Transport and Laundry Services.</p>	05 February 2025
2.1	JQ	<p>Managing Directors Update To clarify and detail the corresponding risks around office accommodation.</p>	<p>Complete Additional detail has been added.</p>	05 February 2025
6.1	JQ	<p>Governance Matters To follow up on the approval of Item 3: All Wales Secondary Care Benchmarking System and provide and update to the Committee.</p>	<p>Complete Contract approved by Welsh Government on 16/10/24.</p>	05 February 2025
6.2	JQ	<p>Corporate Risk Register To clarify and extend Risk A14 relating to office accommodation.</p>	<p>Complete Risk A14 score extended.</p>	05 February 2025
6.2	MB	<p>Corporate Risk Register To check communication channels for the Trust within the TrAMS project via Bethan Tranter to determine whether she was aware of the various concerns and confirm whether any had been raised at a Project Board and to check on progression.</p>	<p>Complete MB confirmed that this action was discussed with the Executive Team and Cancer Services Senior Leadership Team and further clarification was sought from NWSSP which was provided, clarifying that organisations are able to raise matters via the Director of TrAMS to the Project Board with more significant matters to the Shared Services Partnership</p>	05 February 2025

			Committee.	
6.3	JQ	<p>Audit Recommendations Tracker <i>To address the one overdue recommendation relating to the P2P Governance by the next Committee meeting.</i></p>	<p>Complete The Head of AP & eEnablement has confirmed that all recommendations raised as part of the audit are complete. As of the meeting of 14 November 2024, the P2P Governance group agreed to remove the auto release hold of invoices quoting a purchase order number with a value of less than £500.</p>	05 February 2025



MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	05 February 2025
PREPARED BY	James Quance, Assistant Director of Corporate Services
PRESENTED BY	Neil Frow, Managing Director
RESPONSIBLE HEAD OF SERVICE	Neil Frow, Managing Director
TITLE OF REPORT	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 October 2024.

Finance

We reported a year-to-date surplus of £3.522m at Month 9. This was reported as a surplus of £2.832m within our core operational budgets and £0.690m against our recurrent covid allocation. The £2.832m surplus against core operational budgets is primarily due to ongoing turnover and delays with recruitment to vacancies.

We are utilising these savings to confirm an interim £2m 2024/25 distribution to NHS Wales and Welsh Government.

We have incurred £3.703m capital expenditure to date against our current £7.810m Capital Expenditure Limit (CEL). This now includes additional funding that was approved in December (£0.400m for IT Refresh requirements and £0.218m for PV panels at Matrix House). We are working with Services to ensure the funding can be fully utilised within the financial year and review progress at our Capital Prioritisation Group meetings.

All Wales Pharmacy Developments

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South East Radiopharmacy

Detailed design of the unit is complete and has been discussed with the Medicines and Healthcare products Regulatory Agency (MHRA). There are some minor changes needed mainly around air pressure differentials that can be fine tuned during the build \ validation phase.

Final issues that were holding up planning permission have now been resolved and the Section 106 agreement with Newport Council under the common seal of Velindre University NHS Trust completed and issued back to the council for processing.

Once planning permission is finalised and funding released clean room building works are ready to commence but the delays have meant that there is pressure on the schedule to complete the works and go live before the end of the 2025 calendar year.

South East Hub

Work continues to be focussed around agreeing the revenue baseline, preferred option operating costs and benefits, and overall revenue funding profile and organisational shares. Once this is agreed, together with the approach which Welsh Government want around Outline & Final Business Case presentation it will be presented to SSPC approval which is currently planned for its next meeting in March.

South West Hub

We are actively looking for a suitable site within the 2 preferred localities (previously agreed by stakeholders from Hywel Dda and Swansea Bay) of Swansea North and Cross Hands.

Review of opportunities to improve the efficiency of hospital medicines supply and logistics arrangements

The NWSSP Director of Pharmacy Technical Services) as national lead for the NHS Wales Transforming Access to Medicines (TrAMs) programme has been asked by Welsh Government to commission a review of opportunities to improve the efficiency of hospital medicines supply and logistics arrangements. NWSSP has engaged a contractor who is an expert in this field with a view to complete this review by March 2025.

As part of the review a team from NWSSP, including myself and the Chair of the Chief Pharmacists peer group, visited an NHS distribution hub in Glasgow

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on 21 January 2025. This hub has been in existence for 12 years and provides a centralised stock supply service to NHS hospitals in Scotland as well as other organisations. The visit enabled us to look at the range of services and to learn from their extensive experience.

HIV Action Plan – Pre-exposure Prophylaxis (PrEP) in the Community

A Cardiff & Vale University Health Board supported PrEP in Community Pharmacy pilot project will commence during 2025. The Welsh Government's HIV Action Plan 2022 includes the following action:

“Primary care and specialist sexual health services should develop and implement a shared care model to improve access and delivery of PrEP. This will enable PrEP to be provided by GPs and community pharmacies in all health board areas, with particular emphasis on delivery in rural areas and in underserved communities”.

Making pre-exposure prophylaxis (PrEP) available in primary care is important for improving access, reducing inequalities of access, and importantly reducing stigma by normalising the care of people at risk of HIV. Hub and satellite supply arrangements with specified community pharmacies is the preferred model.

The Pharmacy Independent Prescriber Service (PIPS) allows health boards to make arrangements with community pharmacies to prescribe for an agreed list of medical conditions and health boards could add prescribing PrEP to the list of condition which could be managed at the relevant pharmacies.

The proposed pilot in Cardiff & Vale University Health Board will require the health board to designate one or more community pharmacy sites within its area as satellites of the PIP- sexual health service. These pharmacies are already providing the nationally commissioned PIPS.

Under the pilot arrangement, NWSSP IP5 will supply NHS stock of PrEP to the relevant pharmacies using the its Wholesaler Dealing Authorisation (WDA), at zero cost. The health board is charged the contract price for any stock supplied to pharmacies in its area. This PrEP stock would then be supplied directly by the pharmacist prescriber to the patient via a written direction / prescription as per regulation.

The liability in terms of security of the stock would remain with NWSSP and Welsh Government have agreed that the pilot stock would be underwritten

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by themselves. It is anticipated this will be a low volume of PrEP in this first pilot phase.

Laundry Service

NWSSP has sought to formalise its tenure at the Church Village and Carmarthen sites following the same format as North Wales and Greenvale sites. Discussions are ongoing with Cwm Taf Morgannwg University Health Board (CTMUHB) regarding Church Village site as there is a significant backlog maintenance of approximately £1.4m and further negotiations are ongoing.

Hywel Dda University Health Board (H DUHB) has worked very constructively with NWSSP during the course of this last year to agree arrangements for revising the operating footprint for the Glangwili site, and have finalised an agreement for NWSSP to operate from the hub. £77k of capital allocations has been transferred to them to enable works to be completed between January and March of this year.

Specialist Estates Services, acting for both parties has drawn up an agreement, which is by intent, very informal, so as to minimise the risk of the arrangement falling within the scope of the Minimum Energy Efficiency Standards (MEES), and generate an associated obligation to invest in a costly building upgrade.

Medical Examiners Service

The establishment of the service has been successful and the early stages have been positive despite some initial challenges. It should be noted that there has been recent media coverage of families experiencing delays in release of the bodies from mortuaries with criticism being levied at the 'new system.' The Medical Examiner Service has no authority to authorise or prevent the release of bodies and are working with health boards to ensure that the role of the Medical Examiner in the certification of non-coronial deaths is clear and we are working to ensure that concerns raised to the Service by families are both supported and routed appropriately.

A proposal to apply the new Consultant pay scale to Medical Examiners Service is included within the papers for the meeting. This option is in line with the agreement outlined upon set up of the Medical Examiner Service is included in the papers of this meeting for SSPC endorsement before being presented to the Velindre Remuneration and Terms of Service Committee for final Approval.

Accommodation Update

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Following the agreement to extend leases at Charnwood Court and Companies House, a review of the use of space has been undertaken and the overall footprint significantly reduced to the working areas in order to facilitate the balance required under the agile working arrangements.

Personal Protective Equipment (PPE)

The latest PPE stock position is included in the meeting papers for information. We continue to work closely with Welsh Government colleagues to ensure that NWSSP holds the level of stock requested by Welsh Government.

Further extensive requests from Module 5 of the Covid-19 Public Inquiry have been responded to by the Director of Procurement and Health Courier Services. The lead in to the public hearings for NWSSP in March is expected to be a considerable draw on time and we are making plans to ensure that those people called to give evidence are supported as much as possible including minimising the possible disruption to the service at this particularly busy time of year.

Decarbonising the NWSSP Estate

We are commencing with the fitting of Photovoltaic (PV) panels to the roof of our Matrix House office and the performance of the IP5 Solar Farm is very encouraging with nearly 90% of the power being used from the solar panels on a sunny day in November.

Going forward the next phase will involve the roll out of Electric Vehicle Charging Points and battery back-up on the site, which will complement the PV project and further enhance NWSSP decarbonisation aspirations.

Chief Executives and Peer Group Chairs Development Session

I attended the development session on 9 January 2025 with chief executives and peer group chairs which was held to discuss the challenges facing the NHS in Wales and to think through how we are collectively going to address these over the coming years. The day involved inputs from external experts to provide insights and challenges to our thinking and we also heard from NHS Wales colleagues about their experience from a visit to the Danish health system. The session enabled us to think about how we as the NHS need to respond to the challenges and opportunities in the future and how we will work on these together.

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Joint Executive Team (JET) Meeting

Senior Leadership Group colleagues and I attended the NWSSP JET meeting with Judit Paget and WG Executive leads on 12 December 2024. It was a very constructive meeting with discussion of a wide variety of key areas. The feedback we received following the meeting highlighted the appreciation from Welsh Government of the added value we have brought to the health and care system over the last year and the progress made.

We took the opportunity to highlight that funds need to be secured to enable Primary Care Services to fulfil their obligations under the Electronic Prescription Service programme arrangements with the DHCW Business Case needing to be approved by the EPS programme Board and Submitted to Welsh Government pre-March 25.

Staff Awards

Nominations have closed for this year's staff 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. The awards ceremony will take place on 13 February 2025.

Welsh Language

NWSSP continues to support various health bodies with Welsh language initiatives. We have an active programme to train and increase the ability to respond in Welsh. The Equality and Welsh language impact assessments have been reviewed to be more robust in delivering services. Welsh Government feedback notes the focus on inclusive culture and Welsh language impact assessments.

NWSSP Health and Wellbeing Conference 2025

The virtual 2025 Annual Health and Well-being Conference was held on the 16th January, showcasing a variety of guest speakers. Over 350 colleagues from across the organisation were in attendance. The Conference was very well attended and a great opportunity for colleagues from all parts of NWSSP to take time out to come together and discuss what is important to them to ensure that they are able to prioritise their health and wellbeing with the support of NWSSP.

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Awards Successes

NWSSP has been a prominent figure in the GO Awards Wales, consistently showcasing its commitment to excellence. This year, NWSSP has been recognised in multiple categories, underscoring its pivotal role in enhancing public procurement and service delivery.

Millie Tottle, People and Organisational Development Assistant, won the Rising Star Award at the Shared Services Forum UK Awards. This award celebrates a team player who has been working in shared services for no more than five years, but who has already had a considerable impact and influence.

Neil Frow OBE
Managing Director, NWSSP
January 2025



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

**Counter Fraud Progress Report Q3
01/10/2024 – 31/12/2024**

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

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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 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 16th April 2024.

At 31st December 2024, 158.25 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, and an additional case referred to NHS CFS Wales for investigation.

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

The breakdown of these days in Q1 – Q3 are as follows:

Type	Q1	Q2	Q3	Total
Proactive	37.25	36.25	39.5	113
Reactive	11.5	18.75	15	45.25
Total	48.75	55	54.5	158.25

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

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

The Counter Fraud Plan for 2024-2025. 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 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 18th April 2023. Previous years participation from NWSSP staff was poor, however this increased significantly in Q1/Q2 2024/2025 with 753 staff completing the module. A further 264 completed the module during Q3 making a new total for the year at **1,017 staff**.

Monthly Fraud Awareness sessions for new starters commenced in November 2023 via Microsoft TEAMS with **108** staff attending up to 31st March 2024. **89** attended Q1/2 2024/2025 and **25** over 2 sessions during Q3. A total of **222** NWSSP staff have now attended a new starter Fraud Awareness session in the last 12 months.

2 Fraud awareness sessions were each provided separately to The Legal and Risk Management Team and The Health and Safety Team with a total of **17** staff.

A bespoke Fraud Awareness session was also provided to **18** SLE Trainee doctors at their Medical Law and Ethics session. Arrangements are now being made to provide regular fraud awareness sessions to SLE Doctors under their Generic Curriculum Programme which is managed by HEIW.

Fraud awareness is also signposted in the induction toolkit presented to new staff at the “Welcome Session” which is delivered virtually, details were updated during the last QTR.

A SWAYS Newsletter was issued to coincide with Fraud Awareness Week, which was read by 124 staff. A further 3 emails were also issued throughout the week containing fraud awareness videos and information. Social Media posts were also made via “X” (formerly twitter) which attracted 693 impressions. This is less than last year, however the platform has become less popular and the Communications Team are looking at other options for future social media communications.

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+2 (2024/25)	Q3		
New Starter Fraud Awareness (No of Sessions)	89	25	114	108
e-Learning	753	264	1,017	116
Other Fraud Awareness Sessions	59	35	94	324
Newsletters	-	124	124	389
Total	901	448	1,349	937
Social Media Posts - "X" (Formerly Twitter) impressions	0	693	693	3,113

4 Referrals/Enquiries/Investigations

During this reporting period the NWSSP Counter Fraud Team received 2 new referrals for investigation one of which was transferred to NHS CFS Wales for investigation. A summary of the investigation caseload is as follows

	Caseload	Q3 (2024/25)	
		No / £	
A	Cases b/f	7	
B	Add No. new of cases opened	2	
C	Total Caseload during Q3 (a+b)	9	
D	Less Cases closed or Transferred during Q3	3	
E	Cases open at end of Q3 (c-d)	6	
	Fraud Prevented or Recovered	Q 1+2+3 (2024/25)	Year Total 2023/2024 for comparison
	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

6 ongoing investigations include:

- 4 cases of overpayment of Salary.
- 2 cases of working whilst on sick leave

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

The 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 logged and maintained on queries and assistance provided on such matters. The NWSSP CFM received 30 queries during Q3 from a wide range of topics

including several Mandate Fraud checks, Recovery of Salary Overpayments, Advice to Wales Infected Blood Support Scheme, General Ophthalmic Services claims, concerns raised by People and Organisational Development. A number of queries concerning procurement of energy and several scam phone calls which resulted in a Fraud alert being issued to relevant staff.

The CFM also continues to liaise with the Cyber Security Team on several Phishing and Spam email concerns.

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)

Fraud Alert was issued on 18th December 2024 by NWSSP CFM to Accounts Payable Teams, Finance Teams, and those managing energy contracts in NWSSP and NHS Wales, and All NHS Wales LCFS to raise further awareness. This action followed a number of unsolicited phone calls from individuals purporting to be from EDF, the energy Provider for NHS Wales. The calls were phishing for information on energy accounts and invoices. Even though all requests were declined the callers from a specific number were persistent in contacting several NHS Wales staff to obtain information. The alert was disseminated to create awareness and vigilance. Arrangements were made to block the number which contacted NHS Wales staff on several occasions. However, the callers could have easily arranged to use a different number so vigilance was key. The information was also shared with NHS CFA to disseminate further.

IBURN Intelligence alert was issued by NHS CFA Intelligence Unit regarding concerns about an individual falsely claiming to be a qualified accountant seeking employment often via Agencies within the Finance Sector including NHS Organisations. Checks were made with recruitment on an all Wales basis and found that the individual had previously been employed in an NHS Wales Health Board, details were shared for investigation.

6 Other

The NWSSP CFM previously met with Audit Wales, and 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 was made available on 17th May 2024 and continues to be reviewed by The Post Payment Verification (PPV) Team.

National Fraud Initiative Payroll data has been uploaded and analysis has commenced with no issues noted as yet. The NWSSP CFM met with the Deputy Director of Employment Services to establish that a Payroll report can be produced from ESR showing periods of sickness absence. The report will correlate with the NFI Data where employees have been identified with two jobs and there is a risk of working for another employer whilst on sick leave. This

innovative approach will speed up the process in checking against sickness absence which is a routine but time-consuming task. Initial reports will be piloted for the NWSSP dataset only. If successful, the report can be replicated to assist other NHS Wales Organisations and assist with further checks where both employers are within NHS Wales to save time. Data sharing protocols can be produced to comply with information governance.

Mark Weston

NWSSP Local Counter Fraud Manager

21st January 2025

Date issued: February 2025

Audit Wales update for the NWSSP Audit Committee – February 2025

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 The assurance work for 2024-25, to support NHS external audits, will commence very shortly. Although discussions are ongoing with NHS audit teams, it is expected that the scope of our assurance work will be largely consistent with our 2023-24 programme of work.

General Audit Wales Update

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

Good practice events and products

- 5 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

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

Title	Publication Date
<u>Cancer services in Wales</u>	January 2025
<u>Financial sustainability of local government</u>	December 2024
<u>National Fraud Initiative in Wales 2022-23</u>	November 2024
<u>Governance of fire and rescue authorities</u>	September 2024

7 We have also recently published:

- our [fee scale for 2025-26](#) which confirms an average increase in fee rates is less than 1.7% for 2025-26; and
- a report on our [audit quality](#) arrangements.

NHS WALES SHARED SERVICES PARTNERSHIP

Audit Committee

February 2025

Audit & Assurance Services Internal Audit Progress Report

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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
Procurement – Capital Equipping (SD & CTM UHB)	 <p>Limited</p>
IT/Digital Service Management	 <p>Reasonable</p>
Accounts Payable	 <p>Reasonable</p>
Health & Safety	 <p>Reasonable</p>
Recruitment Services	 <p>Substantial</p>

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 reports, a draft report have been issued for the Variable Pay audit. Field work is also progressing well on the audits including Payroll Services and Primary Care Services.

The planning process for the development of the Internal Audit plan for 25/26 has commenced, with the plan be considered at the Senior Leadership Team, prior to being presented to the April meeting of the Audit Committee for approval.

National Report Circulation - Following the consideration at Audit Committee, NWSSP will makes arrangements for reports relating to National Services to be circulated across NHS Wales e.g. Accounts Payable and Recruitment.

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.

5. Audit & Assurance Reporting Developments

As part of developments with the Audit & Assurance Services Division linked to its Integrated Medium Term Plan (IMTP) a revision to the Internal Audit Report template has been undertaken. The note below highlights for the Audit Committee the key changes to the report template and process.

As part of Audit & Assurance's IMTP objectives for 2024/25, one objective focused on our reporting process/template as we recognised changes in reporting format across the public sector, which included reviewing Welsh Government Internal Audit's new template, along with a review of other good practice models. Following a period of review and consideration in the Division, a new template has been agreed, which ensures compliance with both the current Public Sector Internal Audit Standards (PSIAS) and Global Internal Audit Standards being implemented from January 2025 (replacing the PSIAS from 1 April 2025).

This template has been operational across all NHS Wales organisations from 1 October 2024 at the same time (reports currently being developed for reviews will be in the current format). There may be some instances where this

template may not be appropriate e.g. non opinion /advisory reviews, and we will adapt our format accordingly.

The key changes are summarised below:

- Agreed management actions: we will adopt a more collaborative approach between management and ourselves to develop agreed management actions to our findings. This replaces the previous approach of recommendations with management responses and should provide a more streamlined and concise report focusing on key messages for escalation and assurance.
- Expected evidence of implementation: when developing agreed actions with management, we will identify the expected evidence that would demonstrate action implementation. This should provide greater clarity as to when actions can be closed on the Audit Action Tracker and greater understanding of the evidence we would seek in the case of a follow-up audit.
- Low priority findings: such findings will no longer be formally included within the management action plan. Instead, they will be referred to in the report and considered when determining assurance ratings and reported informally in more detail to management. We will also no longer require an action plan for low priority findings. This should ensure a more streamlined and concise report focusing on key messages for escalation and assurance and the priority actions for management.

Other changes to the report style include:

- Updated assurance rating colours to better differentiate between positive and negative assurance reports.
- Inclusion of finding and risk themes to provide an overview of the types of issues and risks identified.
- Streamlining to remove repetition.

The Committee will see reports in the new format on this Agenda.

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

Audit	Status	Assurance Rating	Matters Arising			Timing	Audit Committee	
			H	M	L			
NHS Building for Wales Framework Invitation to Tender Stage	FINAL	Reasonable	-	2	1	Q1/2	Director Specialist Estates Services	Oct
Procurement Services Capital Equipping (SD&CT)	FINAL	Limited	3	3	-	Q2-4	Director of Procurement Services	Feb
IT/Digital – Service Management	FINAL	Reasonable	1	2	-	Q2	Director of Planning, Performance & Informatics	Feb
Accounts Payable	FINAL	Reasonable	-	4	-	Q2-4	Director of Finance & Corporate Services	Feb
Recruitment Services	FINAL	Substantial	-	-	-	Q2-4	Director of People, O.D & Employment Services	Feb
Variable Pay	DRAFT					Q2	Director of Finance & Corporate Services	Feb
Health & Safety	FINAL	Reasonable	-	2	-	Q3	Director of Finance & Corporate Services	Feb
Primary Care Contractor Services	WIP					Q2-4-	Director of Primary Care Services	
Employment Services - Payroll	WIP					Q2-4	Director of People, O.D & Employment Services	
PCS Pharmacy Advisory	WIP					Q3/4	Director of Primary Care Services	
Procurement Services Stores Stock Requisitions	WIP					Q3/4	Director of Procurement Services	

Audit	Status	Assurance Rating	Matters Arising			Timing		Audit Committee
			H	M	L			
Risk Management	Planning					Q3/4	Director of Finance & Corporate Services	
Contract Management	Planning					Q3/4	Director of Finance & Corporate Services	
IT /Digital - Strategy Implementation	Planning					Q3/4	Director of Planning, Performance & Informatics	
CIVAS/Medicines Unit						Q3/4	Service Director	
Decarbonisation follow up- need to consider this during the year						Q3/4	Director Specialist Estates Services	



Office details:

Contact details: james.johns@wales.nhs.uk

Webpage: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

Procurement Services – Capital Team (SBUHB & CTMUHB)

Final Internal Audit Report

October 2024

NHS Wales Shared Services Partnership

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Review reference:	SSP-2425-04 v3
Report status:	Final
Fieldwork commencement:	24 July 2024
Fieldwork completion:	19 September 2024
Debrief meeting:	2 October 2024
Draft report issued:	3 October 2024
Management response received:	16 October 2024 (Subject to ongoing discussions)
Final report issued:	29 October 2024
Auditors:	Jennifer Usher, Principal Auditor
Executive Lead:	Jonathan Irvine, Director of Procurement Services
Distribution:	Claire Salisbury, Deputy Director of Procurement Services Katharine Fletcher, Deputy Head of Operational Procurement
Committee:	Velindre University NHS Trust Audit Committee for NWSSP



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:

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Executive Summary

Purpose

To review the adequacy of systems and controls in place for procurement within the Capital Team servicing SBUHB and CTMUHB.

Overview

We have concluded **Limited** assurance overall with three high priority findings relating to:


- Weakness in the arrangements for obtaining and evidencing health board approval for expenditure, including approval of amendments to user specification/requirements;
- Failure to properly engage framework suppliers via the relevant framework due to non-completion of required documentation;
- Instances of order splitting resulting in inappropriate use of quotations and breach of SFI's.

Three medium priority matters arising are also identified relating to:

- Lack of procedural guidance for capital equipping;
- Non-compliance with declarations of interest requirements; and
- Unnecessarily high PO authorisation limits within the team, resulting in lack of scrutiny/review of POs.

Full details of all matters arising, and associated recommendations are provided at Appendix A.

Report Opinion

		Trend
	More significant matters require management attention.	n/a
	Moderate impact on residual risk exposure until resolved	First Review

Assurance summary¹

Objectives	Assurance
¹ Contracts for goods and services are subject to competitive procurement and supported with sufficient evidence to demonstrate compliance with the requirements of relevant policies and procedures, the Public Contracts Regulations 2015, Standing Orders & Standing Financial Instructions	Limited

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

Key Matters Arising

	Objective	Control Design or Operation	Recommendation Priority
1	Procedural Guidance for Capital Equipping	Design	Medium
2	Declarations of Interests	Operation	Medium
3	Authorisation of Expenditure	Design	High
4	Oracle PO Limits	Design	Medium
5	Use of Frameworks	Operation	High
6	Use of Quotations	Operation	High

1. Introduction

- 1.1 NHS Wales Shared Services Partnership (NWSSP) provides a complete Procure to Pay (P2P) service to NHS Wales through national sourcing, frontline local procurement, supply chain, accounts payable and eEnablement functions. The procurement service is required to provide stakeholders and customers with the best quality service, ensuring the right product, provision or service has been sourced and supplied efficiently and at the right price for NHS Wales.
- 1.2 The Public Contracts Regulations 2015 (PCR 2015) outline the legal framework for public procurement in the UK. The regulations establish rules for how public sector bodies should procure goods, services and works and are aimed at ensuring fairness, transparency and efficiency. By adhering to these regulations, public sector bodies can procure goods, services, and works in a manner that achieves value for money while maintaining compliance with legal requirements.
- 1.3 The potential risks considered in the review were as follows:
- breach of Standing Orders, Standing Financial Instructions or Public Contract Regulations which could result in legal challenge, reputational damage and/or financial loss;
 - inefficient or ineffective procurement services potentially resulting in disruption to NHS Wales services and patient harm; and
 - value for money is not achieved.
- 1.4 The scope of this review was limited to the procurements undertaken by the Capital Team serving SBUHB & CTMUHB only. We considered processes in place with NWSSP only – arrangements within the respective health boards are specifically excluded.

2. Detailed Audit Findings

Objective 1: Contracts for goods and services are subject to competitive procurement and supported with sufficient evidence to demonstrate compliance with the requirements of relevant policies and procedures, the Public Contracts Regulations 2015, Standing Orders and Standing Financial Instructions.

- 2.1 The Capital Team comprises of five personnel – a Deputy Equipping Manager, three Equipping Officers and an Equipping Assistant. Whilst there is a designated Head of Procurement with line management responsibilities for the team, the team operates in isolation from the other integrated procurement teams within the directorate. The collective findings of this review have highlighted a gap in operational management oversight of activity within the team. **[Matter Arising 6]**
- 2.2 The Capital Schemes Register identifies 22 schemes for 2024/25, with 40% already complete as at September 2024:

Stage	Total	CTMUHB	SBUHB	Other
Completed	9	7	2	
Specification	6	2	3	1
Place Orders	4		3	1
Quote/ITT	2	2		
Commission	1	1		
Total	22	12	8	2

Policies and Procedures

- 2.3 The Document Management System (DMS) was launched in December 2023 and consists of a comprehensive, user-friendly suite of guidance documents and templates designed to ensure consistent compliance with regulatory requirements and agreed processes.
- 2.4 The DMS was reviewed as part of the 2023/24 internal audit which highlighted the absence of guidance in relation to the use of framework agreements – no further recommendations are raised in this regard.
- 2.5 The DMS also does not reflect the processes in place for capital equipping, including the process for determining service user requirements and the arrangements for approval of expenditure by the health boards, noting that the activity is the procurement of equipment at a point in time rather than the award of a contract for a specified period. **[Matter Arising 1]**

Capital Schemes Register

- 2.6 The Capital Schemes Register serves as a central record of schemes for the financial year. It includes an equipping budget for each scheme, an estimate derived at the

outset of the scheme based on Room Data Sheets¹ which form the basis of the scheme business case. The budget figures are not updated to reflect amendments made by the health board – we have highlighted to management that these figures should be updated or removed to avoid confusion - although the process is for all expenditure to be subject to approval by the health board capital team – see para 2.10.

The remainder of this section summarises the findings from our sample testing of equipping schemes for SBUHB and CTMUHB.

2.7 We sampled 12 of the 22 schemes – all those identified as ‘completed’ (9) or at the ‘place orders’ (3) stage as of July 2024:

Scheme	Expenditure Summary Sheets
Physiotherapy	£46,352.41
Theatre	£359,574.82
OPD	£318,819.64
SARC	£44,030.73
Consultants Lounge	£4,096.43
Endoscopy	£442,941.42
Max Facs	£167,952.18
Pathology	£11,185.85
Radiology	£18,736.93
Fluoroscopy	£39,821.26
Theatre Recommissioning	£183,036.75
Transfusion	£29,661.46
Total Expenditure	£1,666,209.88

Declarations of Interest (DoI)

2.8 All NWSSP staff must complete a Declaration of Interest (DoI) on ESR which must be reviewed at least annually or updated as and when necessary. All equipping staff had completed a DOI in ESR.

2.9 The PROC-CMP-01 Procurement Processes Core Management Procedure also requires *the completion of Declaration of Interest Forms by Procurement Services staff and stakeholders involved in each procurement exercise in line with Velindre NHS Trust Standards of Behaviour Policy. Interests are declared to ensure procurement exercise is carried out without risk of conflict between private interests and the NHS.* DOIs were not on file for any of the 12 schemes sampled.

[Matter Arising 2]

¹ Detailed documents used in capital schemes to specify the requirements for each space within a building. They serve as a reference for ensuring that every room is built and equipped according to the specific needs of the facility and estimating the associated costs.

Authorisation of Expenditure

2.10 A schedule of equipment to be procured and associated costs is maintained for each scheme and submitted with an accompanying memo to the health board Project Lead/Programme Director for review and approval before initiating the procurement process.

Reconciliation of Total Scheme Expenditure to Health Board Approval Memos

2.11 We sampled 12 schemes (summarised at para 2.5) to confirm that the actual expenditure incurred as per the expenditure summary for each scheme was within the total amount approved by the health board, as per the sum of approval memos and supporting schedules. For one scheme the approved amount was £53,305 but total expenditure was £167,952. **[Matter Arising 3]**

2.12 We identified an error where one item of expenditure (£219k as per PO and framework agreement) had been incorrectly recorded as £155k on the expenditure summary spreadsheet, therefore understating total spend. The scheme was complete and actual expenditure remained within the total approved amount. The error was highlighted to the capital equipping team during audit fieldwork, who corrected the error and informed the health board project lead. As this was an isolated instance and expenditure remained within approved limits, no recommendation is raised in this regard but is reported here for management information.

Post-Approval Amendments to Requirements

2.13 Testing of seven sampled schemes (see para 2.16 for details) to reconcile 58 sampled POs to the approval memo supporting schedules identified that 13 POs could not be fully reconciled due to discrepancies between items and quantities ordered.

2.14 We were advised that equipping requirements are very fluid and the period from approving the expenditure memos to the ordering date can extend over several weeks or months, during which time it is common for amendments to be made on the basis of informal conversations with the health board capital team via phone, email or even text. These amendments do not follow a formal, documented process for approval and are therefore not reflected in the approval memo spreadsheets authorised by the health board. **[Matter Arising 3]**

Oracle PO Hierarchies

2.15 Oracle approval hierarchies for the Capital Equipping Team (summarised in the table below) are the responsibility of the respect health boards. Nevertheless, we noted inconsistency in the approval limits for the Deputy Equipping Manager who is able to raise a PO up to the value of £100k (CTMUHB) and £999k (SBUHB) without the requirement for independent scrutiny or approval. We consider these to be unnecessarily high based on the 58 purchase orders reviewed as part of our testing, where the mean value was £23k and mode was only £4.5k. **[Matter Arising 4]**

Oracle PO Limits	CTMUHB	SBUHB
Equipping Officers	Up to £5000	Up to £5000
Deputy Equipping Manager	Up to £100,000	Up to £999,999
Health Board Officers	>£100,000	£1,000,000+

Appropriateness of Procurement Route

2.16 We undertook testing on seven of the sampled schemes, reviewing all purchase orders for at least one supplier per scheme – a total of 58 purchase orders across seven schemes – to determine the appropriateness of procurement route based on the total spend per supplier and scheme. The total expenditure for our sample amounted to £1.3m, representing 80% of the total expenditure for the 12 schemes with a status of 'complete' or 'place orders' in 2024/25 to date.

Procurement Route	Number of POs in Sample	%
Framework	22	38%
Quote	35	60%
STA	1	2%
	58	

Scheme	Sampled Expenditure
Theatre	£315,739.58
Endoscopy	£414,363.50
Out Patient Department	£299,969.91
Max facs	£140,289.00
Theatre Recommissioning	£131,416.03
SARC	£22,995.50
Physiotherapy	£8,951.29
Total	£1,333,724.81

Framework

2.17 In all 22 cases the supplier selection was deemed satisfactory on the basis that they are on an approved NHS Shared Business Services (NHS-SBS) or NHS Supply Chain (NHS-SC) framework. However, for all six NHS-SBS purchases whilst the framework reference had been stated on the PO, the mandatory template contract (which binds the supplier and health board to the framework terms and conditions) had not been completed. **[Matter Arising 5]**

Quote

2.18 17 quotes had been obtained from four suppliers who were on the NHS-SBS and/or NHS-SC frameworks and so supplier selection was deemed satisfactory on this basis, although the supplier had not been engaged via the framework process and therefore the framework terms and conditions do not apply. **[Matter Arising 5]**

2.19 We are aware that for one supplier, a discount of 30% is available via the NHS-SBS framework, which would equate to nearly £10k saving. It is not clear whether or not this saving was missed due to not accessing the framework correctly. **[Matter Arising 5]**

- 2.20 Evidence of supplier quotation was also not available for two of the 17 – both were less than £2k. **[Matter Arising 6]**
- 2.21 The remaining 18 quotes were obtained from two suppliers who are not on a framework. The method and rationale for supplier selection was not clear and whilst we were provided with evidence of quotations to support the POs, based on the aggregate spend per supplier and scheme, a minimum of three quotes should have been obtained in line with Standing Financial Instructions (SFIs). **[Matter Arising 6]**
- 2.22 We identified instances of order splitting, with multiple POs placed with the same supplier for the same scheme in quick succession – in some cases on the same day – which is prohibited by SFIs. In one instance the aggregate spend exceeded the £25k tender threshold. The supplier concerned is on a framework but had not been engaged via the framework. **[Matter Arising 6]**
- 2.23 PROC-CMP-01 Procurement Processes Core Management Procedure (part of the DMS) requires that all quotations above £5k (excl. VAT) are created and advertised using MultiQuote system with a MultiQuote Plan and Checklist completed. The Capital Equipping Team do not use the MultiQuote system. **[Matter Arising 6]**

Single Tender Action (STA)

- 2.24 For the one STA in the sample, we confirmed that, for which a copy of the approved STA form, PO, and quote was ascertained and verified for completeness and review. Examination validated that the STA had been fully completed and appropriately authorised in accordance with CTMUHB scheme of delegation.

Conclusion:

- 2.25 We identified gaps in procurement procedures, with no guidance for the use of frameworks or capital equipping processes, and there is widespread non-compliance with declaration of interest requirements on an individual scheme basis.
- 2.26 Our sample testing identified that frameworks are not being correctly utilised, and instances of order splitting resulting in inappropriate procurement routes based on aggregate spend.
- 2.27 We also identified gaps in health board approval for expenditure, and inadequate audit trail for amendments (and approval of the same) to user specifications/requirements.
- 2.28 Non-compliance with procurement regulations, processes and SFIs exposes the organisation to risk of legal challenge and reputational damage.
- 2.29 Accordingly, we have concluded **LIMITED** assurance.

Appendix A: Management Action Plan

Matter Arising 1: Procedural Guidance for Capital Equipping (Design)		Impact
<p>The DMS does not reflect the processes in place for capital equipping, including the process for determining service user requirements and the arrangements for approval of expenditure by the health boards, noting that the activity is the procurement of equipment at a point in time rather than the award of a contract for a specified period.</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> breach of SOs, SFIs or Public Contracts Regulations which could result in legal challenge, reputational damage and/or financial loss value for money is not achieved
Recommendations		Priority
1.1	Document procedural guidance for the procurement of capital equipment and incorporate this into the DMS.	Medium
Agreed Management Action		Target Date
1.1	Agreed. Where necessary the DMS will be revised to detail any procurement process specific to capital equipment procurement. We wish to note however that the DMS requirements are sufficient to cover "standalone procurements" such as capital equipment as well as recurrent procurement requirements. A further review of the best operating model for future capital procurement activity on behalf of SBUHB and CTMUHB is to be undertaken with a view to eliminating any future issues of this nature through a closer alignment with the rest of our Divisional structure.	30.11.24
		Responsible Officer
		Katharine Fletcher, Head of Procurement

Matter Arising 2: Declarations of Interests (Operation)		Impact	
<p>The PROC-CMP-01 Procurement Processes Core Management Procedure also requires <i>the completion of Declaration of Interest Forms by Procurement Services staff and stakeholders involved in each procurement exercise in line with Velindre NHS Trust Standards of Behaviour Policy. Interests are declared to ensure procurement exercise is carried out without risk of conflict between private interests and the NHS.</i> DOIs were not on file for any of the 12 schemes sampled.</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> • breach of SOs, SFIs or Public Contracts Regulations which could result in legal challenge, reputational damage and/or financial loss • value for money is not achieved 	
Recommendations		Priority	
2.1	Declarations of Interest must be completed by all stakeholders involved in each scheme.	Medium	
Agreed Management Action		Target Date	Responsible Officer
2.1	Agreed. All staff within the Division have been directed to complete Declaration of Interest forms for each separate procurement in which they are involved as well as the annual statement on ESR. Managers are tasked to ensure all staff they are responsible for comply with this requirement.	31.10.24	Katharine Fletcher, Head of Procurement

Matter Arising 3: Authorisation of Expenditure (Design)		Impact
<p>We sampled 12 schemes to confirm that the actual expenditure incurred as per the expenditure summary for each scheme was within the total amount approved by the health board, as per the sum of approval memos and supporting schedules. For one scheme the approved amount was £53,305 but total expenditure was £167,952.</p> <p>We were also unable to fully reconcile 13 of the 58 sampled POs to the health board approval memo, to confirm approval of specific items of expenditure. We were advised that equipping requirements are very fluid and the period from approving the expenditure memos to the ordering date can extend over several weeks or months, during which time it is common for amendments to be made on the basis of informal conversations with the health board capital team via phone, email or even text. These amendments do not follow a formal, documented process for approval and are therefore not reflected in the approval memo spreadsheets.</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> • inappropriate/erroneous expenditure resulting in financial loss • value for money is not achieved
Recommendations		Priority
<p>3.1 The existing expenditure summary spreadsheet should be adapted to serve as a single, central record for each scheme, detailing initial user requirements, any subsequent amendments, details of health board approval for <u>all</u> expenditure and details of the associated POs.</p> <p>This should form the basis of the memos used to obtain expenditure approval from the health board. It would formalise the process for amendments to user specifications/requirements, and will provide oversight of the end-to-end process for each scheme for both the Capital Equipping Team and Health Board Capital Teams.</p>	<p>High</p>	
Agreed Management Action		Target Date
		Responsible Officer

3.1	<p>Agreed. Interim measures to replicate best practice from within the Division will be implemented with the team including the management and recording of expenditure and change control procedures. A further review of the best operating model for future capital procurement activity on behalf of SBUHB and CTMUHB is to be undertaken with a view to eliminating any future issues of this nature through a closer alignment with the rest of our Divisional structure. It is important to note that the Capital Equipping Team have continued to act with best intention to align their operational practices with the expectations of the Health Boards in the monitoring and management of overall scheme expenditure.</p>	31.10.24 – Interim measures	Katharine Fletcher, Head of Procurement
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Matter Arising 4: Oracle PO Limits (Design)		Impact	
We noted inconsistency in the approval limits for the Deputy Equipping Manager who is able to raise a PO up to the value of £100k (CTMUHB) and £999k (SBUHB) without the requirement for independent scrutiny or approval. We consider these to be unnecessarily high based on the 58 purchase orders reviewed as part of our testing, where the mean value was £23k and mode was only £4.5k.		Potential risk of: <ul style="list-style-type: none"> • inappropriate/erroneous expenditure resulting in financial loss • value for money is not achieved 	
Recommendation		Priority	
4.1	Engage with the Health Boards to determine appropriate authorisation limits for the Capital Equipping Team.	Medium	
Agreed Management Action		Target Date	Responsible Officer
4.1	<p>Agree. Purchase Order approval limits will be revised to reflect best practice from within the Division which will incorporate the requirement for Procurement Senior Manager/SMT level approval above the agreed threshold.</p> <p>It is important to note that the limits referred to have been approved by the Health Boards and authority delegated by the Health Boards to the Capital Equipping Team. Again, the Team have been acting with best intent to work within the delegated approval limits that were established by the Health Boards. The approval limit for SBUHB has subsequently been reduced to align with CTMUHB.</p>	30.11.24	Katharine Fletcher, Head of Procurement

Matter Arising 5: Use of Frameworks (Operation)		Impact
<p>For all six NHS-SBS framework procurements, whilst the framework reference had been stated on the PO the mandatory template contract (which binds the supplier and health board to the framework terms and conditions) had not been completed.</p> <p>We also identified 17 quotes which had been obtained from framework suppliers, but the suppliers had not been engaged via the relevant framework – i.e., by obtaining a Unique Reference Number (URN) for NHS-SC or completing the mandatory template contract for NHS-SBS.</p> <p>We are aware that for one supplier a discount of 30% is available via the NHS-SBS framework, which would equate to nearly £10k saving. It is not clear whether or not this saving was missed due to not accessing the framework correctly.</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> • breach of SOs, SFIs or Public Contracts Regulations which could result in legal challenge, reputational damage and/or financial loss • value for money is not achieved
Recommendations		Priority
<p>5.1 Framework suppliers must be properly engaged via the framework, complying with the specific requirements of the framework (such as obtaining a URN, completing a short order form or template contract). This will ensure that both parties are bound by the framework terms and conditions, the intended benefits of the framework (such as preferential prices and discounts) are realised and value for money is obtained.</p>	<p>High</p>	
Agreed Management Action	Target Date	Responsible Officer

<p>5.1</p>	<p>Agreed. All staff will be directed to utilise framework contracts in accordance with the access conditions and requirement as stated by the relevant Contracting Authority. Purchase Orders will be routinely monitored by the Procurement Senior Manager to ensure this corrective action has been implemented for future purchases against framework. A further review of the best operating model for future capital procurement activity on behalf of SBUHB and CTMUHB is to be undertaken with a view to eliminating any future issues of this nature through a closer alignment with the rest of our Divisional structure.</p> <p>Notwithstanding the issues highlighted, for which the above action will be taken to address, it is not clear that the omission of URNs, templates or short order forms negates the application of the framework and the resultant contract for each procurement. It is clear that contractual relationships were established and it is arguable that these omissions would be deemed as material in the event of a dispute arising between the parties.</p>	<p>31.10.24</p>	<p>Katharine Fletcher, Head of Procurement</p>
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Matter Arising 6: Use of Quotations (Operation)		Impact
<p>Evidence of supplier quotation was not available for two purchases – both were less than £2k and placed with framework suppliers (although they had not been properly engaged via the framework – see matter arising 5).</p> <p>Sample testing identified 18 purchases where quotes had been obtained from two suppliers who are not on a framework. The method and rationale for supplier selection was not clear, and based on aggregate spend per supplier and scheme, a minimum of three quotes should have been obtained in line with SFIs.</p> <p>PROC-CMP-01 Procurement Processes Core Management Procedure (part of the DMS) requires that all quotations above £5k (excl. VAT) are created and advertised using MultiQuote system with a MultiQuote Plan and Checklist completed. The Capital Equipping Team do not use the MultiQuote system.</p> <p>We also identified instances of order splitting, with multiple POs placed with the same supplier for the same scheme in quick succession – in some cases on the same day – which is prohibited by SFIs. In one instance the aggregate spend exceeded the £25k tender threshold. The supplier concerned is on a framework but had not been engaged via the framework (see matter arising 5).</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> breach of Standing Orders, Standing Financial Instructions or Public Contract Regulations which could result in legal challenge, reputational damage and/or financial loss value for money is not achieved
Recommendations		Priority
6.1a	In line with SFIs a minimum of three quotations must be obtained for all non-framework purchases above £5k and less than the prevailing tender threshold. Quotations should be obtained via the MultiQuote system and evidence retained.	High
6.1b	The appropriate procurement route must be determined based on aggregate spend per scheme, per supplier. Senior management to maintain oversight of procurement activity within the Capital Equipping Team to ensure compliance with procurement regulations, agreed processes and SFIs.	
Agreed Management Action		Target Date
		Responsible Officer

6.1a	<p>Agreed. Staff will be directed to comply with the requirement to utilise multi-quote for all purchases exceeding £ 5,000. This requirement will be routinely monitored by the Procurement Senior Manager. A further review of the best operating model for future capital procurement activity on behalf of SBUHB and CTMUHB is to be undertaken with a view to eliminating any future issues of this nature through a closer alignment with the rest of our Divisional structure.</p> <p>On occasions, circumstances can arise that require the issue of multiple, low value POs to a supplier. An example of this can be the requirement to equip a room per PO to allow for tracking and management of expenditure on a departmental/sector/floor basis. Room equipping schedules are not always necessarily procured "in block" at second or third fix levels. A further example is the requirement to adjust and amend equipment requirements at short notice as projects progress and as further demands are presented by the Health Board, a situation which often happens at short notice. Therefore, it is not possible to be prescriptive that the issue of multiple low value POs to the same supplier can always be construed as an attempt to disaggregate for the purposes of avoiding the quotation and tender thresholds. While the actions agreed above will provide assurance that avoidance of competition is eliminated it is important to note that exceptions always apply when analysing apparent disaggregation.</p>	31.10.24	Katharine Fletcher, Head of Procurement
6.1b	<p>Agreed. Staff will be directed to eliminate disaggregation activity from the procurement process. Routine monitoring will be undertaken by the Procurement Senior Manager. A further review of the best operating model for future capital procurement activity on behalf of SBUHB and CTMUHB is to be undertaken with a view to eliminating any future issues of this nature through a closer alignment with the rest of our Divisional structure.</p> <p>Comments at 6.1a also apply to this point.</p>	31.10.24	Katharine Fletcher, Head of Procurement

Appendix B: Assurance opinion and action plan risk rating

Audit Assurance Ratings

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

	Substantial assurance	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable assurance	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited assurance	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory assurance	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Assurance not applicable	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
High	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*
Medium	Minor weakness in system design OR limited non-compliance. Some risk to achievement of a system objective.	Within one month*
Low	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.



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

NHS Wales Shared Services Partnership
4-5 Charnwood Court
Heol Billingsley
Parc Nantgarw
Cardiff
CF15 7QZ

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

Accounts Payable

Final Internal Audit Report

2024/25

NHS Wales Shared Services Partnership



Reasonable Assurance

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Review Reference

SSP-2425-01

Fieldwork

October 2024 - November 2024

Executive Sign Off

22 January 2025

Audit Committee

February 2025

Executive Lead

Alison Ramsey, Director of Finance & Corporate Services

Audit Team

James Johns, Head of Internal Audit

Sophie Corbett, Deputy Head of Internal Audit

Executive Summary

Purpose

To review the adequacy of the systems and controls in place for key risk areas in the accounts payable process, including progress in implementing the actions agreed with management to address the issues identified in the previous audit report (NWSSP-2324-01).

Overview

We have concluded **reasonable** assurance overall. Our testing confirmed accuracy of supplier masterfile amendments and invoice processing. We have identified four findings requiring management action – these are summarised below with full details provided in the Findings & Agreed Action Plan on page 3.

- Compliance with bank verification and approval requirements for additions/amendments to the supplier masterfile **[Finding 1 - Medium]**
- Compliance with the No PO No Pay Policy **[Finding 2 - Medium]**
- Authorisation of non-PO invoices **[Finding 3 - Medium]**
- Approval arrangements for dataloads **[Finding 4 - Medium]**

Scope & Assurance Summary

Objectives	Related Findings	Assurance
1 There is adequate control over the creation and amendment of creditor master-file data	1	Reasonable
2 Invoices are supported by a PO in line with the No PO No Pay Policy and systems ensure that invoice values paid are in accordance with agreed prices	2	Reasonable
3 Non-PO invoices, manual payments and dataloads are appropriately authorised for payment and accurately processed	3	Reasonable
4 Invoices on AP holds are monitored and cleared on a regular basis to ensure compliance with PSPP	4	Reasonable
5 Mechanisms are in place to ensure that duplicate payments are avoided or detected	-	Substantial
6 There is appropriate focus on service performance and improvement to deliver a high-quality service and ensure customer satisfaction	-	Substantial

Management Actions

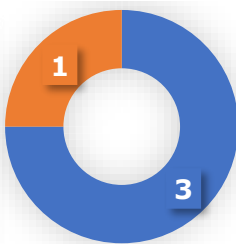


High Priority



Medium Priority

Themes



- Approvals
- Finance Management & Control

Risk Types

- Financial Loss
- Public Perception & Reputational Risk

Accounts Payable - At a Glance

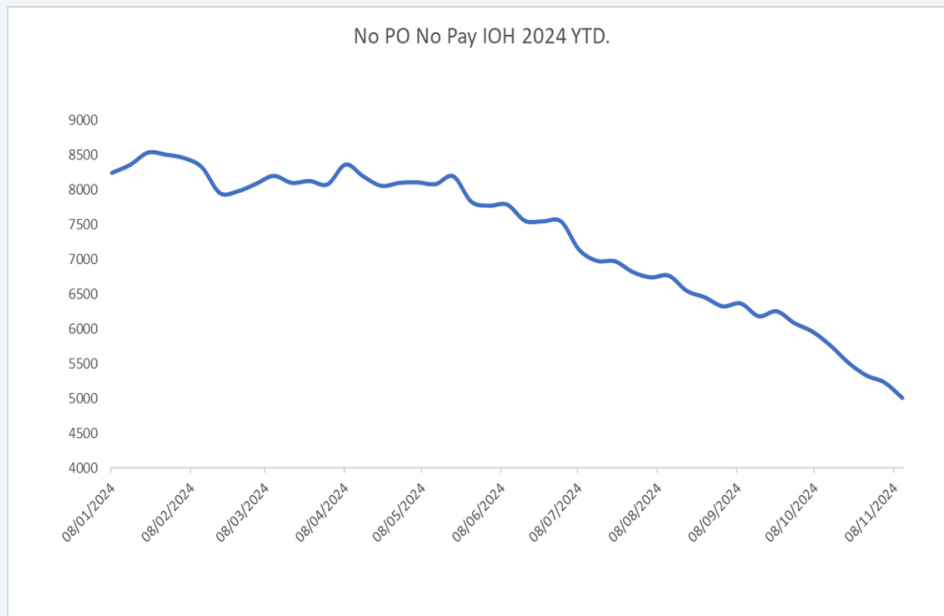
Invoices processed April – November 2024

1,419,930 invoices
£5,506,213,087 value

Key Performance Indicator	Target	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24
Public Sector Pay Performance: Non-NHS	95% Cumulative	9G & 4R	11G, 1A, 1R	13G	11G & 2R	12G & 1A	11G, 1A, 1R	12G & 1R	12G & 1A
Public Sector Pay Performance: NHS	95% Cumulative	5G, 1A & 7R	3G, 2A & 8R	5G & 8R	4G, 1A & 8R	3G & 10R	3G & 10R	10G & 10R	9R, 1A, 3G
Call Handling - %age of calls answered	95% Monthly	96.9%	97.4%	96.4%	96.7%	97.3%	97.8%	98.7%	97.6%
Priority Supplier Programme - rebate income	£450k i.e. £37.5k/month	£44.4k	£36.8k	£40.3k	£36.6k	£37.0k	£35.1k	£40.4k	£41.6k

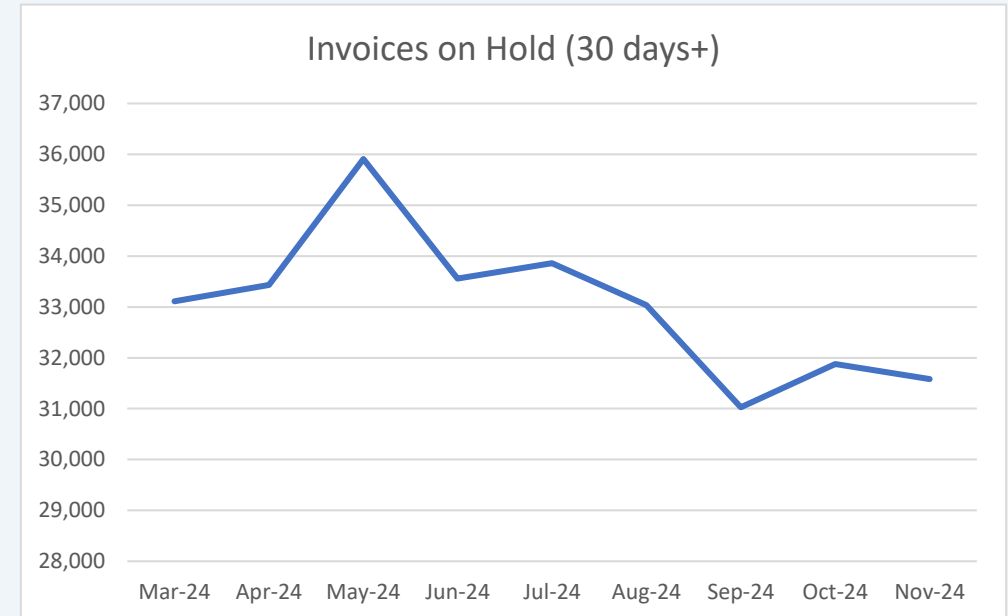
Source: AP Performance Data

Invoices on Hold (ALL holds)



No PO No Pay IOH

Nov-23 7,842
Nov-24 4,952



IOH 30days+

Nov-23 31,860
Nov-24 31,569



Findings & Agreed Action Plan

Objective 1: There is adequate control over the creation and amendment of creditor master file data Reasonable

Overview / Summary of Observations

Access to the supplier masterfile is restricted to the Supplier Maintenance Team (SMT) and reviewed on a quarterly basis.

Additions/amendments to the masterfile are independently checked within the SMT to ensure processing accuracy. Additions/amendments to bank details are subject to CreditSafe validation and additional scrutiny by the Finance management team.

Our previous review highlighted that the SMT use personal banking apps to complete verification if CreditSafe returned no match. Whilst this is still the case currently, a pilot scheme was launched in November 2024 to eradicate this practice, with validation of bank details undertaken by the Velindre Debtors Team and evidence provided to support review by Finance. The NWSSP Bank Account Procedure has been revised to reflect the new process and is expected to be approved shortly.

Sample testing of additions/amendments to the masterfile confirmed that all had been promptly and accurately processed, although we did identify a small number of instances of non-compliance with procedure. **[Finding 1]**

Key Findings	Risk & Impact	Agreed Management Action
<p>1 Supplier Bank Account Additions and Amendments</p> <p>Sample testing of 60 additions/amendments to supplier bank details identified:</p> <ul style="list-style-type: none"> four instances where addition/amendment to bank details had not been escalated to Finance for review and approval for two of these four instances, the bank account details had not been validated via CreditSafe. The SMT advised that these checks are not undertaken where the payee is an individual (e.g. reimbursement of volunteer expenses), but the rationale for this is not clear and it is not reflected in procedure. 	<p>Inaccurate and /or inappropriate payments resulting in financial loss and reputational damage.</p>	<p>Agreed Action: In line with existing procedure, the SMT Leader will ensure that all amendments to bank accounts, and instances where CreditSafe returns an unsatisfactory result, are escalated to Finance for review and approval.</p> <p>Determine and agree on the basis of risk, whether CreditSafe checks (or equivalent) are required for all additions/amendments to bank accounts. Any agreed exceptions will be reflected in procedure.</p>
	Medium Priority	<p>Expected Evidence of Implementation: Additions / amendments to supplier bank details recorded on the finance spreadsheet as confirmation of review reviewed by Finance.</p> <p>Updated NWSSP Bank Account Procedure (where appropriate).</p>
Theme: Approvals	Control Operation	<p>Officer: Russell Ward, Head of Accounts Payable & Enablement</p> <p>Date: 30th April 2025</p>

Objective 2: Invoices are supported by a purchase order (PO) in line with the No PO No Pay Policy and systems ensure that invoice values paid are in accordance with agreed prices

Reasonable

Overview / Summary of Observations

The Oracle system automatically places an invoice on hold to prevent payment if the details on the invoice do not match with the details of the purchase order (PO).

In line with the all-Wales No PO No Pay Policy, invoices without PO that are not on the agreed all-Wales exceptions list should be placed on hold and payment withheld until the supplier provides a valid PO number. The revised No PO No Pay Policy and refreshed exemption list was endorsed by the NHS Shared Services Partnership Committee in July 2024.

Sample testing of non-PO invoices identified invoices/payments that were not covered by the No PO No Pay exceptions list but had not been placed on hold to obtain a valid PO number. **[Finding 2]**

Key Findings	Risk & Impact	Agreed Management Action
<p>2 No PO No Pay Policy Exceptions</p> <p>Sample testing of 110 non-PO invoices identified 15 invoices/payments that were not covered by the No PO No Pay exceptions list but had not been placed on hold to obtain a valid PO number. These were therefore paid on the basis of manual authorisation, despite a PO being required.</p> <p>We note that 12 of the 15 exceptions identified were prior to the refresh of the No PO No Pay Policy implemented in September 2024.</p>	<p>Inaccurate and/or inappropriate payments potentially resulting in financial loss and reputational damage.</p> <p>Additional staff resource required to manually process non-PO invoices.</p>	<p>Agreed Action: Any invoice not clearly meeting the exceptions criteria will be placed on No PO No Pay hold in line with policy. Where a health body instructs payment to be made on the basis of manual authorisation, AP will require approval from the relevant Deputy/Director of Finance or CEO and this evidence will be retained with the invoice.</p> <p>The No PO No Pay Policy will be discussed at the all-Wales P2P Governance Group with a view to deciding whether the policy is effective, delivering intended benefits and therefore fit for purpose.</p> <p>Expected Evidence of Implementation: Non-compliant non-PO invoices placed on No PO No Pay hold. Minutes of the all-Wales P2P Governance Group demonstrating discussion of the policy effectiveness.</p>
<p>Theme: Finance Management & Control</p>	<p>Medium Priority</p> <p>Control Operation</p>	<p>Officer: Russell Ward, Head of Accounts Payable & Enablement</p> <p>Date: 31st October 2025</p>

Overview / Summary of Observations

Sample testing of non-PO invoices/payments confirmed that all were supported by an official invoice/request for payment and accurately recorded on Oracle against the correct supplier and for the correct amount. A small number of invoices did not have evidence of appropriate approval on the basis that the approver did not have sufficient delegated authority as per the relevant authorised signatory list/Oracle approval hierarchy. **[Finding 3]**

Our 2023/24 review highlighted an increasing trend in invoices received via dataload. These invoices are received checked and approved within the health body, entered onto a dataload and sent to AP for upload into Oracle. AP do not have sight of the invoices or individual invoice approvals. In some cases, the dataloads are emailed by or copied to an authorised signatory, although this is not always the case and there is lack of clarity regarding the approval required (if any) by AP to process payment. **[Finding 4]**

Key Findings	Risk & Impact	Agreed Management Action
<p>3 Authorisation of Non-PO invoices</p> <p>For four invoices sampled the approver was not identified on the respective authorised signatory listing. In two cases AP confirmed that the health body has now added the approvers to the respective signatory list. We identified a further five instances where the invoice value exceeded the approvers financial limit.</p> <p>Oracle now has invoice approval workflow functionality which would enable non-PO invoices to be subject to the same authorisation system controls as PO invoices, in line with the organisations Oracle hierarchy. Velindre University NHS Trust are piloting the rollout of this functionality from May 2025.</p>	<p>Inaccurate and/or inappropriate payments resulting in financial loss and reputational damage.</p> <p>Medium Priority</p>	<p>Agreed Action: An action plan and timeframe for progressing implementation of invoice approval workflow throughout the health bodies will be developed and implemented, to remove reliance on AP staff to verify approvers to authorised signatory lists. We will be dependent upon health body agreement to implement this for their Organisations.</p> <p>Expected Evidence of Implementation: Action plan for implementation of invoice approval workflow. Implementation of actions identified.</p> <p>Officer: Russell Ward, Head of Accounts Payable & Enablement Date: 31st October 2025</p>
<p>Theme: Approvals</p>	<p>Control Design</p>	
<p>4 Authorisation of Dataloads</p> <p>There is lack of clarity regarding the approval requirements for the processing of dataloads, where the checking and approval of invoices is undertaken within the health body.</p>	<p>Inaccurate and/or inappropriate payments resulting in financial loss and reputational damage.</p> <p>Medium Priority</p>	<p>Agreed Action: Approval requirements for dataloads will be determined and agreed with health bodies. A log of dataload sources and the agreed approval arrangements will be maintained.</p> <p>Expected Evidence of Implementation: Log of dataload sources and agreed approval arrangements.</p> <p>Officer: Russell Ward, Head of Accounts Payable & Enablement</p>

Objective 4: invoices on AP holds are monitored and cleared on a regular basis to ensure compliance with PSPP**Reasonable****Overview / Summary of Observations**

There were 31,569 invoices on hold (IOH) over 30 days as at November 2024. This is consistent with November 2023, although the position has improved since March 2024. No PO No Pay holds have reduced by 37% over the last 12 months.

The IOH Steering Group meets fortnightly to monitor and direct action to address the IOH position, identify and address root causes and improve the IOH process. The group comprises of service leads from Finance, Procurement, Accounts Payable and the Service Improvement Team. An exercise is currently underway to review and clear IOH older than 1st April 2023.

Whilst the volume of invoices on hold remains high, we recognise the work ongoing to address this, including engagement with the Service Improvement Team. Consequently, no further recommendations are raised.

The auto-release process was implemented in March 2020 to support prompt supplier payments during the COVID pandemic. Sample testing of overridden holds for invoices over £500 to ensure that the auto releasing arrangements were only being applied to invoices within the agreed threshold identified no issues. Previous audits have highlighted the absence of retrospective checking arrangements for auto-release invoices. In November 2024 the NHS Shared Services Partnership Committee endorsed a P2P Governance Group recommendation to cease the auto release process with effect from 1st January 2025 and to focus efforts on improving order receipting.

Objective 5: mechanisms are in place to ensure that duplicate payments are avoided or detected**Substantial****Overview / Summary of Observations**

The Oracle system will not allow an invoice to be entered more than once against the same organisation and supplier site. However, duplicates can occur if an invoice is entered incorrectly.

NXG forensic software is used to identify duplicate invoices prior to payment. Potential duplicates are placed on hold in Oracle to prevent payment until investigation is complete, and those confirmed to be a duplicate are cancelled.

Between 1st December 2023 and 31st October 2024, 1,748,224 invoices were processed with 155,666 identified as requiring further investigation prior to payment. Of the 155,666, the majority of invoices were reviewed and resolved with nineteen invoices identified as requiring further scrutiny and review prior to payment (as of 15th November). Review of NXG confirmed that all potential duplicates identified by the system had been reviewed/resolved or assigned for further scrutiny.

A review of the duplicate logs for the period December 2023 to October 2024 noted seven duplicate payments totalling £92,200.83, of which all have been recovered. We undertook detailed analysis of Oracle invoice reports using IDEA audit software to detect any duplicates not already identified and recovered – no issues were identified.

Performance data for October 2024 reported that duplicate prevention software has corrected and prevented over £6.3m of duplicate payments year to date.

Overview / Summary of Observations

Key Performance Indicators (KPIs) are considered and agreed by the NWSSP Shared Services Partnership Committee annually and are reported via the IMTP/Quarterly Review process and through the monthly AP performance report. Additional local measures are included in the monthly AP performance report shared with health bodies, including a breakdown of PSPP by organisation, invoices on hold, No PO No Pay data, duplicates prevented and supplier maintenance and call centre data.

The NHS Wales Procure to Pay (P2P) Governance Group has replaced the All-Wales P2P Forum, with its inaugural meeting taking place on 24th May 2024. The primary objective of the Group is to provide a forum where P2P issues can be reviewed, and actions agreed to improve the end-to-end P2P process across NHS Wales. The group also acts as a platform to review, advise and assist on points of standardisation, as the service aims to achieve an all-Wales standard across all aspects of the P2P process. Attendance at each meeting includes a diverse group of senior members from all health bodies. This facilitates the authorisation and implementation of any necessary changes within their respective organisations.

The P2P Forum is an operational group consisting of Procurement and Accounts Payable representatives, with meetings held monthly. The group is currently focusing on a customer communication project to improve customer experience.

Local P2P meetings are also hosted by the health bodies and attended by AP on a monthly/bi-monthly basis. A review of the minutes and agendas demonstrates consistent coverage cross all organisations.

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	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 Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence presents of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)



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Public Sector Internal Audit Standards

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Digital Service Level Management

Final Internal Audit Report

2024/25

NHS Wales Shared Services Partnership



Reasonable Assurance

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Review Reference: SSP-2425-10

Fieldwork November 2024

Executive Sign Off 6 January 2025

Audit Committee February 2025

Executive Lead Rebecca Nelson, Director Of Planning, Performance & Informatics

Audit Team James Johns, Head of Internal Audit
Martyn Lewis, IT Audit Manager

Executive Summary

Purpose

The objective of the audit is to provide an opinion over the arrangements in place for the management of the service level agreements (SLAs) for digital provision from DHCW, including, but not limited to, performance monitoring, quality targets, financial performance and escalation processes.

Overview

We have concluded **reasonable** assurance on this area. The matters requiring management attention include:

1. There are no clear metrics for the provision of services that cover the quality and value of services provided.
2. The SLA monitoring process does not cover all services provided by DHCW.
3. There has been no delegation for monitoring the performance of services provided by DHCW.

Full details of matters arising are detailed within the Findings & Agreed Action Plan

Scope & Assurance Summary

Objectives	Related Findings	Assurance
1 Appropriate SLAs are in place for all received services, which meet the requirements of the users, set out the expected service levels and quality levels, include metrics and define responsibilities.	1	Reasonable
2 An appropriate process is in place for monitoring the performance against SLAs to ensure that the service continues to meet the needs of the organisation.	2,3	Reasonable
3 An appropriate process is in in place to ensure under performance is escalated and managed to develop improvement plans with consideration of contractual penalties should improvement not occur.	-	Substantial

Management Actions



High Priority



Medium Priority

Themes



■ Contractual

Risk Types

Public Perception & Reputational Risk

Services provided by DHCW

Services	£	Services	£
Azure Website Provision	941	Data Centre Support Charge	6,032
Cloud Based Internet Monitoring Solution and associated support	20,720	Firewall Support	5,739
Desktop Support	562,651	Hosting of the Health Courier Service and the Student Bursary System in the DMZ	12,146
MailMarshall Licence	2,989	IT Technical Consultancy Service	106,096
Microsoft Centre of Excellence	32,732	NHAIS Exeter System Support	145,284
National Infrastructure & Networking Resilience	9,690	NWSSP Web Apps	6,713
Security Information Event Management (SIEM)	11,254	Penetration Testing	3,619
Secure File Sharing Portal	4,222	Transfer of first line support from NWSSP Informatics to NWIS Service Desk	29,824
Asset Management (SNOW) Licence Subscription	16,123	On Call Support	5,739
Technology enabled working	86,657	Asset Management (SNOW) Support	1,938
		Server Support	8,443
Total Services			£1,079,552
Total Services as per SLA			£1,079,552

Findings & Agreed Action Plan

Objective 1: Appropriate SLAs are in place for all received services, which meet the requirements of the users, set out the expected service levels and quality levels, include metrics and define responsibilities.

Reasonable

Overview / Summary of Observations

NWSSP receives several services from DHCW, the provision of which is governed by two key documents, these being an annual charging letter, and an SLA template. The charging letter clearly sets out the services received from DHCW along with the cost associated with each service. The SLA template is revised periodically and reviewed by the National Service Management Board (NSMB) and sets out how services are to be provided and managed, and contain clear definitions of the responsibilities of both parties.

In addition key information about the services is provided via DHCW’s service management SharePoint site which is intended to define the services, clarify expectations and ensure accountability.

Neither the charging letter nor the SLA template set out metrics for the quality and value of the services. The SLA template links to a draft service management document, however this is inaccessible. From reviewing DHCW service management processes we note that metrics are available for delivery of services such as call handling and incident response, however there are no metrics defined to assess the quality and value of the services provided. We note that for desktop services these metrics may be appropriate. As such although the document is termed and SLA it is more akin to an operational level agreement (OLA).

NWSSP maintain an IT department with a responsibility for first line support for users, asset management, cybersecurity and for liaising with DHCW Client Services, with DHCW undertaken ongoing support and provision of infrastructure.

Key Findings	Risk & Impact	Agreed Management Action
<p>1 Neither the charging letter nor the SLA template set out metrics for the quality and value of the services. The SLA template links to a draft service management document, however this is inaccessible.</p> <p>From reviewing DHCW service management processes we note that metrics are available for delivery of services such as call handling and incident response, however there are no metrics defined to assess the quality and value of the services provided. We note that for desktop services these metrics may be appropriate. As such although the document is termed and SLA it is more akin to an OLA.</p> <p>Theme: Contractual</p>	<p>There is lack of clarity over the provision of services and their performance and quality</p> <p>High Priority</p> <p>Control Operation</p>	<p>Agreed Action:</p> <p>Chief Digital Officer to seek documentary confirmation from DHCW of quality metrics for services on the SLA schedule and amendment of the quarterly performance report to reflect the additional metrics.</p> <p>Expected Evidence of Implementation:</p> <ul style="list-style-type: none"> - % of problems fixed at first contact - Schedule of quality based KPIs - Quarterly performance report updated to include quality indicators <p>Officer: Chief Digital Officer</p> <p>Date: 31 March 2025</p>

Overview / Summary of Observations

The SLA template and associated DHCW policies set out a clear framework of managing the provision of services with a requirement noted for the provision of performance reports and regular meetings between NWSSP and DHCW.

We note that Procurement have guidance within the Procurement Manual on contract management, and although there are no procedures within Digital for management of the DHCW SLA, the processes in operation comply with the procurement principles within the manual.

We note that regular SLA review meetings occur with representatives from NWSSP and DHCW and performance and highlight reports are provided covering desktop services and progress against projects. However this monitoring process does not currently cover all services provided by DHCW either within performance reports, or as part of the discussions.

As noted above, metrics are not defined for the quality of the services and so monitoring is at service level and does not monitor the quality and value of the services provided. We note that users are asked to complete service desk surveys following calls and are asked for comments to feed into the monitoring process.

The coordination and management of the SLA sits with the Digital Director, and there is no nomination of delegated individuals who can monitor and manage their specific service which would better enable alignment of services provided by DHCW with the recipients within NWSSP and enable more granular monitoring.

Key Findings		Risk & Impact	Agreed Management Action
2	The SLA monitoring process does not cover all services provided by DHCW.	There is a loss of clarity over the performance of services provided.	<p>Agreed Action: Chief Digital Officer to seek refreshed service schedule from DHCW to align with the annual payment schedule and appropriate KPIs to be defined for relevant services.</p> <p>Expected Evidence of Implementation: - Updated service schedule with KPIs</p>
	Theme: Contractual	Medium Priority	<p>Officer: Chief Digital Officer Date: 31 March 2025</p>
3	There has been no delegation for monitoring the performance of services provided by DHCW.	Services may not be monitored by those receiving the service	<p>Agreed Action: Chief Digital Officer to create process for dissemination of performance monitoring to appropriate service leads and capturing feedback. Note: achievement of this management action depends upon the outcomes of the actions on key findings 1 and 2.</p> <p>Expected Evidence of Implementation: - Process map</p>

			<ul style="list-style-type: none"> - Example disseminated documentation - Example feedback
		Medium Priority	Officer: Chief Digital Officer
Theme: Contractual		Control Operation	Date: 5 January 2026

Objective 3: An appropriate process is in place to ensure under performance is escalated and managed to develop improvement plans with consideration of contractual penalties should improvement not occur **Substantial**

Overview / Summary of Observations

The SLA template includes provisions for managing underperformance, which require the development and monitoring of corrective action plans, with oversight provided by the Director of Digital.

Escalation processes for contractual performance are outlined in the Procurement Manual, and from our discussion with the Director of Digital we note that these principles would be followed, although there is no specific procedure within the Digital Directorate.

The current SLA does not provide for penalising underperformance, which limits NWSSP to relying on collaboration and improvement through review meetings and corrective actions. While DHCW is an NHS Wales supplier, the lack of penalties makes it difficult for NWSSP to enforce the necessary improvements. We note that this issue is outside of NWSSP control, as such we have not raised a matter here, although the issue has been raised directly with DHCW.

We note that no areas of underperformance significant enough to warrant escalation have been identified by NWSSP.

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
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Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
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Recruitment Services

Final Internal Audit Report

2024/25

NHS Wales Shared Services Partnership



Substantial Assurance

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Review Reference

SSP-2425-05

Fieldwork

November 2024 - January 2025

Executive Sign Off

23 January 2025

Audit Committee

February 2025

Executive Leads

Gareth Hardacre, Director of People, OD and Employment Services

Darren Rees, Deputy Director of Employment Services

Audit Team

James Johns, Head of Internal Audit

Sophie Corbett, Deputy Head of Internal Audit

Executive Summary

Purpose

To review the adequacy of systems and controls in place for recruitment services.

Overview

We have concluded **substantial** assurance on this area. We identified no matters for reporting in our review.

The Employment Services Service Level Agreement (SLA) establishes a structured approach for providing a thorough recruitment and selection service. The SLA defines the key responsibilities of both NWSSP Recruitment Services and the health boards/trusts. These responsibilities are in accordance with established quality standards and key performance indicators. Standard operating procedures (SOPs) have been developed in partnership with the health boards/trusts to provide a standardised recruitment service across Wales.

Recruitment Services produces the All-Wales Performance and Volumes Report, which outlines performance metrics in relation to key performance indicator (KPI) targets. The audit highlighted the successful attainment and the consistent high performance by recruitment services in meeting all five of the established KPIs. Furthermore, the audit review confirmed that recruitment and selection services are being undertaken in alignment with the specifications outlined in the SLA and in compliance with the NHS Employee Check Standards.

Customer satisfaction surveys are distributed to applicants and recruiting managers via an automated email from the TRAC system. The insights and analysis gathered from these surveys are communicated to the recruitment managers, enabling them to address any identified issues effectively.

Scope & Assurance Summary

Objectives

		Related Findings	Assurance
1	The recruitment service is managed and delivered in accordance with the service level agreement and agreed policies and process	-	Substantial
2	Pre-employment checks comply with the NHS Employers Employment Check Standards	-	Substantial
3	There is appropriate focus on service performance and improvement to deliver a high-quality service and ensure customer satisfaction	-	Substantial

Employment Services Key Performance Measures - At a Glance

Agreed KPI	Responsibility & Target	Average working days per month 2024/25				
		August	September	October	November	December
Time from resignation to submitting vacancy for approval on Trac	Health Board/ Trust (5 Days)	36.7	49.3	49.0	46.4	45.4
Time to approve/authorise a vacancy	Health Board/ Trust (10 Days)	6.6	6.7	7.1	6.5	7.1
Time to place adverts live	NWSSP (2 Days)	1.7	1.5	1.6	1.4	1.4
Time to send applications to a manager after the post closes	NWSSP (2 Days)	1.0	1.1	1.0	1.0	1.1
Time to shortlist by manager	Health Board/ Trust (3 Days)	5.8	6.9	6.1	6.8	6.0
Time to invite candidates to interview	NWSSP (2 Days)	1.1	1.0	0.8	0.9	0.8
Time to notify Recruitment of interview outcome	Health Board/ Trust (3 Days)	3.1	3.3	3.3	3.1	3.4
Time to send offer letter	NWSSP (4 Days)	3.5	3.8	3.5	3.8	3.7
Completion of pre-employment checks	All (25 Days)	24.6	29.3	25.3	22.2	35.1
Time to send starting letter	NWSSP (2 Days)	1.8	1.9	1.8	1.8	1.9

NHS Wales Compliance - December 2024, reported as part of the NHS Wales Performance & Volume monthly reports.

Reference	Process Stage	Responsibility	Target time in days	Total Number of records	Number of records within target	% Compliance	% Non Compliance
T0a	Notice date to authorisation start date	Health Board/Trust	5	628	100	15.9	84.1
T1a	Time to Approve Vacancies	Health Board/Trust	10	1040	749	72	28
T1b	Time to Advertise Vacancies	NWSSP	2	1087	1086	99.9	0.1
T3a	Time to move to shortlisting	NWSSP	2	1212	1210	99.8	0.2
T4	Time to Shortlist	Health Board/Trust	3	1228	701	57.1	42.9
T5b	Time to update interview outcomes	Health Board/Trust	3	1520	1109	73	27
T6	Time to send Conditional Offer Letter	NWSSP	4	1690	1662	98.3	1.7
T9b	Time to check references	Health Board/Trust	2	930	627	67.4	32.6
T12	Checks ok to ready for Start date	NWSSP	2	1146	1138	99.3	0.7
T13	Vacancy creation to conditional offer	All	44	1669	1089	65.2	34.8
T23	Conditional Offer to ready for Start Date	All	27	1387	1059	76.4	23.6
T14	Vacancy creation to ready for Start Date	All	71	1386	979	70.6	29.4

Findings & Agreed Action Plan

Objective 1: The recruitment service is managed and delivered in accordance with the service level agreement and agreed policies and process

Substantial

Overview / Summary of Observations

The Employment Services Service Level Agreement (SLA) outlines the framework for delivering a comprehensive recruitment and selection service. The SLA clearly defines the key responsibilities of both NWSSP Recruitment Services and the health boards/trusts. These duties are aligned with established quality standards and key performance indicators, which are essential for evaluating the effectiveness and efficiency of the recruitment process.

Recruitment Services have collaborated with health boards and trusts across Wales to create a standardised recruitment service, which are guided by Standard Operating Procedures (SOPs). The primary objective is for NWSSP and the health boards/trusts to work in unison, ensuring that tasks are executed efficiently to provide a seamless service and maximise the best use of resource.

The Recruitment Services intranet provides a comprehensive array of documentation, guidance materials, videos, and training resources. Including a bespoke recruiting managers pack which has been developed for each health board/trust in order to accommodate the variations in standard operating procedures.

Objective 2: Pre-employment checks comply with the NHS Employers Employment Check Standards

Substantial

Overview / Summary of Observations

There are six NHS Employment Check Standards that outline the type and level of checks employers must carry out before recruiting staff into NHS positions:

- identity checks standard;
- Criminal record checks standards;
- Work health assessments standard;
- Professional registration and qualification check standard;
- Right to work checks standard; and
- Employment history and reference checks standard.

The Standard Operating Procedure (SOP) for NWSSP Recruitment Service – Onboarding Stage notes that references are a non-blocking check. Therefore, applicants may start their new role prior to references being obtained. However, references are still required in order to complete all necessary checks, apart from one trust who require all pre-employment checks to be completed before starting.

Furthermore, the SLA stipulates that the health boards/trusts recruiting manager is responsible for approving and addressing referenced in cases where Recruitment Services have been unable to secure them. Our sample testing of 45 new starters identified three occasions where references had not been received. These have been referred by Recruitment Services to the recruiting manager within the health board/trust.

Testing identified that pre-employment checks were completed in accordance with the NHS Employments Checks Standards and the SLA, with supporting documentation and evidence reviewed as part of the testing process.

Daily All-Wales Workload meetings are undertaken to assess staff workload and availability. The aim of these meetings is to reassign staff resources across the teams to ensure priorities and tasks are completed within established timelines.

Objective 3: There is appropriate focus on service performance and improvement to deliver a high-quality service and ensure customer satisfaction

Substantial

Overview / Summary of Observations

Recruitment Services produces the All-Wales Performance and Volumes Report, which details performance metrics in relation to key performance indicator (KPI) targets. This report along with the Recruiting Managers KPI Report, the Recruitment Managers Update Report, and the Start Date Analysis Report are circulated to the health boards/trusts on a monthly basis. Furthermore, the performance & volumes report also forms part of the customer meetings and the Employment Services quarterly review report.

We have verified a sample of the All-Wales performance data for November 2024 to source data and working papers. Year to date, the KPI targets for Recruitment Services are being achieved for all five KPIs. Furthermore, three of the five health board/trusts/all KPI's were consistently not met, in particular significant delays were reported between the time from resignation to submitting vacancy for approval on TRAC. These KPIs form part of the monthly reports produced by Recruitment Services and distributed to the health boards/trusts. The aforementioned KPIs are detailed above under the at a glance section.

The Recruitment Modernisation Programme has been established in response to feedback from the WOD Responsive Programme undertaken in 2021, as well as lessons learned during the pandemic. During the responsive programme, feedback was gathered from various organisations regarding potential improvements to the recruitment process, while maintaining safe recruitment practices and enhancing the overall experience for both managers and applicants. This has led to the identification of three key areas of focus for improvement.

Employment Services have developed and implemented a Standard Operating Procedure (SOP) to effectively manage complaints, issues and compliments. Statistics related to complaints, compliments, and issues are reported as part of the Employment Services quarterly review. No formal complaints have been reported for Recruitment Services during 2024/25.

Customer satisfaction surveys are issued to applicants and recruiting managers through an automated email generated by the TRAC system at various points of the recruitment and selection process. The feedback and analysis of the surveys are shared with the recruitment managers, allowing any issues highlighted to be addressed.

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	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 Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence presents of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)



Disclaimer

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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.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

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 management of the 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.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.



Health & Safety

Final Internal Audit Report

2024/25

NHS Wales Shared Services Partnership



Reasonable Assurance

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Review Reference

SSP-2425-08

Fieldwork

November 2024 – January 2025

Executive Sign Off

29th January 2025

Audit Committee

February 2025

Executive Lead

Alison Ramsey, Director of Finance & Corporate Services

James Quance, Assistant Director of Corporate Services

Audit Team

James Johns, Head of Internal Audit

Sophie Corbett, Deputy Head of Internal Audit



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



Executive Summary

Purpose

The overall objective of this audit was to review the adequacy of health and safety arrangements within NWSSP.

Overview

NWSSP has in place a Health and Safety (H&S) Procedure that aligns to the Velindre University NHS Trust Health, Safety and Welfare Policy. The procedure outlines aims, roles and responsibilities that is supported by a suite of documents on the organisation SharePoint site. All H&S statutory and mandatory training compliance rates exceed the target 85% and all H&S incidents are recorded on Datix including RIDDOR incidents that were compliant with the regulatory reporting requirements.

Corporate and local registers are in place to capture H&S related risks whilst HSCG65 inspections are undertaken by the H&S Team to monitor the health and safety performance within NWSSP. The organisation has an established governance structure with a dedicated H&S Group and an NWSSP All-Wales H&S Group and regular reporting of papers and items as per the agreed terms of reference.

Two matters requiring management attention regarding:

- A review of the 18 supporting policies listed in the Health, Safety and Welfare Policy identify seven that were out-of-date and five that were unable to be located on the intranet site. [Medium Priority]
- A sample of HSG65 inspection actions identified seven that were overdue (December 2024 target) whilst 43 remain ongoing within the agreed timescale (January 2025 target). [Medium]

We have therefore concluded **reasonable** assurance on this area.

Full details of matters arising are detailed within the Findings & Agreed Action Plan.

Scope & Assurance Summary

Objectives	Related Findings	Assurance
1 Health & safety policies and procedures are in place and appropriate training is provided to staff	1	Reasonable
2 Mechanisms are in place to identify, raise awareness and monitor compliance with regulatory requirements	-	Substantial
3 Risks are managed effectively, with actions arising from internal and external reviews monitored through to implementation	2	Reasonable
4 Governance structures are appropriate and effective, with mechanisms for regular reporting and escalation of key health and safety matters to the Health Board	-	Substantial

Management Actions

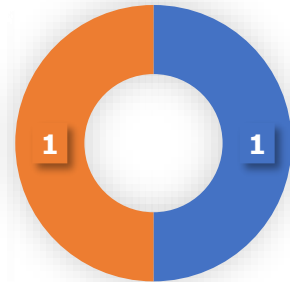


High Priority



Medium Priority

Themes



■ Information, Data Quality & Data Accuracy

■ Policies & Procedures

Risk Types

Legal & Regulatory Non-Compliance

Findings & Agreed Action Plan

Objective 1: Health and safety policies and procedures are in place and appropriate training is provided to staff **Reasonable**

Overview / Summary of Observations

In accordance with the *Health & Safety at Work Act 1974*, Velindre University NHS Trust (as the hosting body for NWSSP) has a documented Health, Safety and Welfare Policy that was reviewed and updated in September 2024. NWSSP also maintains a Health and Safety (H&S) Procedure document. Both H&S policy and procedure documents explicitly outlines the aims, objectives, roles and responsibilities, monitoring and reporting arrangements, whilst a suite of supporting policies, procedures and guidance documents are available to staff on the intranet.

A review of the 18 supporting policies listed in the Health, Safety and Welfare Policy identified seven that were past their review dates and five that were unable to be located on the host body intranet site. We noted the proactive actions taken by the NWSSP H&S Team to highlight the policies that require updating and approving by the hosting organisation.

We can confirm that NWSSP statutory and mandatory training compliance rates exceed the target 85% with all competency modules over 92%.

The NWSSP H&S Procedure is clear that managers and supervisors are responsible for ensuring that staff receive sufficient training as to the hazards and risks of the activities that they perform and environments in which they work. The H&S Team will also target 'hotspot' areas for training based on incident rates and additional intelligence.

A key objective of the H&S Team is to enhance the knowledge and skills of managers and supervisors in health, safety and risk management with certain staff members selected to complete additional courses. Managers and supervisors are required to complete the IOSH¹ Working or Managing Safely course, in addition to in-house developed training programs, such as Safer Manual Handling, Fire Marshal training and COSHH² training (implemented at laundry sites due to the range of chemicals used).

Key Findings		Risk & Impact	Agreed Management Action
1	<p>Policies and Procedures</p> <p>A review of the 18 supporting policies listed in the Health, Safety and Welfare Policy identify seven that were past their review dates and five that were unable to be located on the intranet site.</p>	<p>A lack of up-to-date policies and procedures could result in legal and/or regulatory non-compliance.</p>	<p>Agreed Action:</p> <p>NWSSP H&S Team to escalate to Velindre H&S Manager. Progress with policy development to be monitored through the NWSSP All-Wales Health & Safety Group.</p> <hr/> <p>Expected Evidence of Implementation:</p> <p>1) Policies are in date and compliant, visible on intranet site.</p>
		Medium Priority	<p>Officer: NWSSP H&S Manager</p> <p>Target Implementation Date: 30th April 2025</p>
Theme: Policies & Procedures		Control Operation	

¹ Institution of Occupational Safety and Health

² Control of Substances Hazardous to Health

Objective 2: Mechanisms are in place to identify, raise awareness and monitor compliance with regulatory requirements

Substantial

Overview / Summary of Observations

The H&S Manager maintains a regulation compliance list. The regulation compliance list is populated from a number of sources including feedback from the Head of Safety and Learning (also a chartered H&S professional) who is the NWSSP representative at the All-Wales H&S Group and regular email notifications from the Health and Safety Executive (HSE) to the NWSSP H&S Manager. The NWSSP H&S Manager is supported by two H&S Support Officers, who focus on specific areas of health & safety management.

NWSSP have a dedicated health and safety SharePoint page that features key information for employees including safety alerts, policies and procedures, guidance and assessment forms for items such as display screen equipment, violence and aggression, manual handling and COSHH. The H&S Team also produce 7-Minute Briefings that provide staff with a one-page overview of key health and safety updates, local safety notices and forthcoming training.

Employees are required to report incidents on the Datix Cymru system, with the system configured to notify the H&S Team of any health and safety entries. There have been 349 incidents between January – December 2024, 91% of these are closed or awaiting closure and 93% are recorded as resulting in no or low harm. There have been nine RIDDOR incidents during the same period. We can confirm that the nine RIDDOR incidents were compliant with the HSE reporting requirements.

Objective 3: Risks are managed effectively, with actions arising from internal and external reviews monitored through to implementation

Reasonable

Overview / Summary of Observations

All NWSSP services are required to maintain a local risk register that contains risk scored below a rating of 12. All risk rated 12 and above are escalated to the corporate risk register. The H&S Team undertake HSG65³ inspections that include a review of local risk registers. A review of nine inspections undertaken during 2024 confirmed local risk registers were in place and being maintained.

The HSG65 is an audit tool that is used to monitor the health and safety performance within NWSSP with inspections undertaken by members of the H&S Team. We can confirm an inspection visit plan for 2024 was in place with evidence of the visits captured in retained reports.

Actions raised during a HSG65 inspections are recorded on a central log maintained by the H&S Team. A review of the log identified four sites where 148 actions were raised. Of these raised actions, seven were overdue (these had a December 2024 target) whilst 43 remain ongoing within the agreed timescale (with a target compliance of January 2025). Whilst the H&S Team follow up on the progress of raised actions, responsibility for addressing actions and providing updates and any ongoing issues to the H&S Team is a requirement of the identified service or department manager. The high priority actions are individually monitored, escalated and chased to completion by the NWSSP H&S Team.

³ Health and Safety Management System

Key Findings	Risk & Impact	Agreed Management Action
<p>2 Outstanding HSG65 Inspections Actions</p> <p>A review of the HSG65 inspection log identified four sites where 148 actions were raised. Of these raised actions, seven were overdue (December 2024 target) whilst 43 remain ongoing within the agreed timescale (January 2025 target).</p>	<p>Actions and risks remain outstanding impacting on the health and safety of employees.</p>	<p>Agreed Action:</p> <p>Overdue actions to be escalated to the appropriate NWSSP Director for additional intervention.</p> <p>A summary of ongoing actions will be presented at the NWSSP All-Wales H&S Group.</p> <p>Expected Evidence of Implementation:</p> <p>1) Action tracker with evidence of completion within target timescales and exceptions noted.</p>
<p>Theme: Planning, Delivery & Deadline Management</p>	<p>Medium Priority</p> <p>Control Operation</p>	<p>Officer: NWSSP H&S Manager</p> <p>Target Implementation Date: 28th February 2025</p>

Objective 4: Governance structures are appropriate and effective, with mechanisms for regular reporting and escalation of key health and safety matters

Substantial

Overview / Summary of Observations

A dedicated H&S Operational Group is established to oversee management and operational arrangements relating to health, safety and fire issues across NWSSP, in addition to cascading information from internal and external sources. The group is chaired by the H&S Manager and reports into the NWSSP All-Wales H&S Group.

The aim of the NWSSP All-Wales H&S Group is to ensure the organisation is fulfilling its responsibilities to manage health, safety and fire, whilst also providing strategic direction and oversight. This group is chaired by the NWSSP Director of Finance & Corporate Services and reports into the NWSSP Senior Leadership Group.

Both groups have agreed terms of references (TORs) that explicitly outlines their purpose, membership, reporting arrangements, accountabilities, quoracy and frequency of meetings, whilst a review of minutes and papers of both groups confirmed the regular reporting in line with TOR requirements. We can also confirm the reporting of the Annual H&S Report for 2023-24 to the Shared Services Partnership Committee in July 2024 and quarterly reports into the Velindre University NHS Trust Health and Safety Management Group.

A health and safety governance structural diagram, TORs and annual reports are published for staff to view on the SharePoint site.

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
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MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	05 February 2025
PREPARED BY	Carly Wilce, Corporate Services Manager, Gemma Roscrow Procurement Services and Leanne Wright Procurement Services
PRESENTED BY	Alison Ramsey, Director of Finance and Corporate Services
TITLE OF REPORT	Governance Matters
PURPOSE	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 **6** occasions where contract awards were not progressed in accordance with Standing Orders, which has significantly improved since the last meeting. Activity is shown for the items listed in Appendix A and reasons for breaches have been provided.

2. CONTRACTS FOR NWSSP

The table below summarises contracting activity undertaken during the period **1st October 2024 to 31 December 2024**. Details of the contract activity for the period is set out in **Appendix A**.

Description	No.
Direct Engagement	6
Invitation to competitive quote of value between £5,000 and £25,000 (excl VAT)	11
Invitation to competitive tender - £25,000 and the OJEU threshold	0
Single Tender Actions	1
Single Quotation Actions	1
Direct Call Off against National Framework Agreement	3
Invitation to competitive tender of value exceeding OJEU threshold (excl VAT)	0
Voluntary Ex-Ante Transparency Notice of value exceeding £100k	0
Contract Change Notice (CCN)	1
Contract Extensions	0
Total	23

3. NWSSP PROCUREMENT SERVICES ALL WALES CONTRACTING ACTIVITY

During the period **10th October 2024 to 14th January 2025**, activity against **26 contracts** have been completed. This includes **8** contracts at the **briefing** stage and **13** contracts at the **ratification** stage. In addition to this activity, **4 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 **no** declarations made as to Gifts, Hospitality or Sponsorship since the last Audit Committee meeting.

5. WELSH GOVERNMENT QUARTERLY UPDATE

On a quarterly basis, we issue a letter to the Director General of Health and Social Services at Welsh Government to confirm any Audit Reports which have achieved limited or no assurance. NWSSP have reported one internal audit report with limited assurance for the reporting period (Decarbonisation) which has previously been reported to the Audit Committee.

6. RECOMMENDATION

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

APPENDIX A - NWSSP Contracting Activity Undertaken (01/10/2024 to 31/12/2024)

Retrospective Non-Compliant Activity (6)

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 19th September 2024, to remind divisions of their responsibilities and obligations of 'Procurement best practice' and importance of adherence to SFIs.

N o.	Division/ Service	Procurement Ref No	Period	SFI Reference / Compliance	Agreement Title/Description	Supplier	Anticipated Agreement Value (ex VAT)	Reason/ Circumstance / Issue	Procurement Action Required
1.	Laundry	AC (NWSSP 2024-25) 067	October 2024	Competition not sought in accordance with SFI's	Lower section of the Lavatec 572 Basket	PGC Laundry Services	£10,600.00	Emergency repair required and commissioned with no procurement involvement.	One off purchase, arising from an emergency repair, not required going forward. Procurement Best Practice training to be provided to Laundry services.
2.	AW International Recruitment - Digital Workforce	AC (2024-25) 071	November 2024	Competition not sought in accordance with SFI's	International Recruitment	Taj Kerala Hotel and Resorts Ltd	£80,000.00	Services commissioned with no procurement involvement, booked through the conference organisers and on security advice from Kerala Government.	Procurement Best Practice training provided in December 2024 and will book through an approved travel agent arrangement in future to see if better rates can be achieved for the recommended venue..

3.	AW International Recruitment - Digital Workforce	AC (2024-25) 072	November 2024	Competition not sought in accordance with SFI's	International Recruitment	Greenland Travel	£10,000.00	Services commissioned with no procurement involvement	Procurement Best Practice training provided in December 2024.
4.	Legal and Risk	AC (NWSSP 2024-25) 073	November 2024	Competition not sought in accordance with SFI's	Legal and Risk Support	Browne Jacobson	£36,874.10	Services commissioned with no procurement involvement	Short term interim arrangement in place whilst longer term contract is procured.
5.	Laundry	AC (NWSSP 2024-25) 075	December 2024	Competition not sought in accordance with SFI's	Church Village Lavatec CBW Repair	Micross	£6,300.00	Emergency repair	Procurement Best Practice training to be provided to Laundry services.
6.	Laundry	AC (NWSSP 2024-25) 076	December 2024	Competition not sought in accordance with SFI's	Removal of Equipment in the Glan Gwili Hub	R Brown Specialist Laundry	£18,119.40	Services commissioned with no procurement involvement	Procurement Best Practice training to be provided to Laundry services.

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.	Laundry	NWSSP STA (2024/25) 46	One off Purchase to be completed by the end of March 2025	STA	Reprogramming of software	R Brown Specialist Laundry Engineering Ltd	£35,000.00	Tender completed by procurement service, however, appointed supplier went in to administration post award, single tender was required to ensure continuity of service at Greenvale Landry otherwise NHS Wales could not be supported	N/A
2.	People and OD	NWSSP-SQA (24-25) 93	One off Purchase to be completed by the end of	SQA	Team facilitation within the People Services Team	Leadership on the Go Limited	£11,770.00	The approach offered is based on research by	N/A

		March 2025					the organisation and is unique to the organisation. The Coaching on the Go Skills report is only available through the organisation.	
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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
1.	Primary Care Services	NWSSP-MIN-MULTIRA344625	1 st November 2024 to 31 st October 2025	Multiquote	Disposal of confidential waste- Business supports	Restore Datashred Ltd	£12,600.00	Quotation exercise via Multiquote portal
2.	SMTL	NWSSP-MIN-MULTIRA346038	4 th November 2024 to 4 th November 2027	Multiquote	Water Deionisers	Merck Life Science UK Ltd	£13,354.20	Quotation exercise via Multiquote portal
3.	Specialist Estates	NWSSP-QUOTE-(23-24)-98	28 th October 2024 to 27 th March 2025	Multiquote	QS Support	MACE	£12,000.00	Quotation exercise via Multiquote portal
4.	Whole Site	PS2110/23	1 st October 2024 to 30 th September 2025	Multiquote	Air Conditioning System	Johnson Controls Building	£1,925.00	Quotation exercise via Multiquote portal

5.	Supply chain	NWSSP-MIN-MULTIRA3445 32	1 st November 2024 to 30 th October 2025	Multiquote	Clean room facilities	connect 2 cleanrooms	£20,090.00	Quotation exercise via Multiquote portal
6.	Whole Site	PS4641/23	1 st October 2024 to 30 th September 2025	Multiquote	CCTV System	Ceaton Security Services	£3131.30	Quotation exercise via Multiquote portal
7.	Legal & Risk	NWSSP-DCO (24-25) 84	11 th October 2024 to 31 st March 2025	Multiquote	Legal Services Required to facilitate recovery of outstanding debt	Blake Morgan	Up to £10,000	Quotation exercise via Multiquote portal
8.	Whole Site	PS0021/23	1 st October 2024 to 30 th September 2025	Multiquote	Statutory Engineering Inspections	Allianz Engineering Inspection	£2073.00	Quotation exercise via Multiquote portal
9.	Laundry Service	NWSSP-DCO (24-25) 72	21 st October 2024 to 20 th October 2027	Direct award via NOE CPC Framework	Laundry BSEN14065 Accreditation	LTC & DTC Ltd	£168,070.00	Direct Award via Framework
10.	Informatics	NWSSP-DCO (24-25) 79	One off Capital Requirement to be completed by 31 st March 2025	Direct award via CCS Framework	ProDeploy Onsite Server Installation - Church Village & Newport Data Centres	Dell Technologies	£15,368.00	Direct Award via Framework
11.	Informatics	NWSSP-DCO (24-25) 80	One off Capital Requirement to be completed by 31 st March 2025	Direct award via CCS Framework	Cisco Firewalls for Newport & Church Village Data Centres	Computacenter UK Ltd	£12,545.22	Direct Award via Framework
12.	Pharmacy	NWSSP-MIN-MULTIRA3460 23	One off Capital Requirement to be completed by 31 st March 2025	Multiquote	Laminar Flow Unit	CONNECT2CLEANROOMS	£18,245.00	Quotation exercise via Multiquote portal

13.	Audit and Assurance	NWSSP-MIN-MULTIRA346151	One off Capital Requirement to be completed by 31 st March 2025	Multiquote	Data Analytics Training	Technology4Business	£5250.00	Quotation exercise via Multiquote portal
14.	Specialist Estates	NWSSP-OJEU- 54748	One off Capital Requirement to be completed by 31 st March 2025	Contract Change Notice	Provision of Solar Panels for Matrix House	EFS Systems	£164,043.39	Contract Change Notice – additional services required not foreseen in original award
15.	Corporate and Finance	NWSSP-MIN-MULTIRA343905	One off Capital Requirement to be completed by 31 st March 2025	Multiquote	Extractor Fan Replacement	Facility Services Group	£8074.88	Unable to replace parts of the existing equipment as they are obsolete. Quotation exercise via Multiquote portal

APPENDIX B - All Wales Contracting Activity in Progress (01/10/2024 - 14/01/2025)

Update on Welsh Government approvals outstanding from previous report, since the last meeting in October 2024

No	Contract Title	Doc Type	Total Value £	JI approval <£750K	WG approval >£500k	NF approval £750-£1M	Chair Approval £1M+
1.	<p>Laryngectomy, Tracheostomy and Associated Consumables</p> <p>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.</p> <p>Contract dates: 4 Years – 01/10/2024 – 30/09/2028</p>	Ratification	£2,788,420	06/09/2024	17/09/2024	09/10/2024	09/10/2024
2.	<p>Supply of Energy</p> <p>NHS Wales All-Wales Supply of Energy</p> <p>Contract dates: 1st April 2024 to 20th February 2027 (this is the date when CCS transitioned all of their energy customer base to the new framework RM-6251 which expires on 20th February 2027)</p>	Ratification	£97,051,633	13/09/2024	DA from framework	07/10/2024	07/10/2024
3.	<p>Vaccines</p> <p>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>Contract dates: 1st February 2025 to 31st January 2028 with an option to extend up to 12months</p>	Ratification	£1,156,858	30/09/2024	15/11/2024	15/11/2024	15/11/2024
1.	<p>Provision of building and roofing works</p> <p>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>Contract dates: November 2024 – one off requirement</p>	Briefing	£1,200,000	30/09/2024	30/09/2024	NA	NA

All Wales Contracting Activity In Progress (01/10/24 – 14/01/25)

No.	Contract Title	Doc Type	Total Value	JI approval <£750K	WG approval >£500k	NF approval £750-£1M	Chair Approval £1M+
1.	<p>All Wales Rostering Solution The overall project scope is to procure a single all-Wales rostering system, which will allow for the intelligent scheduling of staff. The solution will support the harmonisation of rostering principles for our substantive and temporary workforce that work under "Agenda for Change" contracts. Contract period: 01/02/2026 – 31/01/2030 (plus 2 x 24 months)</p>	Briefing	£ 20,332,800	11/10/2024	19/12/2024	NA	NA
2.	<p>Patient snacks & Hydration The Patient and Retail Snacks and Hydration contract includes product categories such as confectionary, bottled drinks, patient snacks, juices and squashes Contract period: 1st November 2021 to the 31st October 2024 (plus 12 months)</p>	Extension	£ 12,257,813	24/10/2024	original approval applies 28/09/2021	24/10/2024	24/10/2024
3.	<p>Enteral Feeding Services Income generation The Enteral Feeding Services Contract provides critical items and services for both adult and Paediatric patients. The contract is utilised in secondary and community care settings and covers goods, services and financial support Contract period: 01.02.2018 to 31.01.2022 with option to extend 12 + 12 months, Additional 12 months to 31.10.2025</p>	Extension	Income generation	CS 18/10/2024	original approval applies 2017	18/10/2024	18/10/2024
4.	<p>Audiology The Contract will cover Audiology products including Adults/Paediatric hearing aids, Cochlear Implants, Rechargeable Hearing Aids and associated products & accessories. Contract period: 01/01/2025 – 31/12/2028 plus 2x12 months</p>	Ratification	£ 39,549,278	CS 21/10/2024	24/10/2024	24/10/2024	24/10/2024
5.	<p>Bread, Milk, Baked goods and dairy The contract scope for Bread, Milk, Baked Goods and Dairy is for a variety of bread, milk, baked goods including pastries, and dairy products for the purpose of patient feeding, as well as Health Board/Trust income generation.</p>	Briefing	£ 18,004,170	25/11/2024	sent to WG 25/11, chased 8/1		

	Contract period: 01/03/2025 – 28/02/2029 plus 12 months						
6.	<p>Provision of Low Vision Aid Supply and Recycling Service to WGOS - Low Vision</p> <p>This contract would be to provide all of the equipment, excluding the Handheld Electronic Magnifier which is provided by VisonAid Technology Ltd under a different contract. The list incorporates the core list of items to be supplied, on occasion the supplier may be required to source specialist items that meet individual patient requirements that are also approved by the WGOS-LV Clinical Leads. As a part of the contract the supplier is required to provide a demonstration kit to practitioners which includes various examples of the items in the above list that can be used when undertaking assessments with patients. The contract also provides provision for a recycling service, where aids that are no longer required are returned to the supplier, decontaminated, stored and re-issued to new patients.</p> <p>Contract period 5 years plus 36 months, plus 24 months</p>	Briefing	£6,568,667	25/10/2024	02/12/2024	NA	NA
7.	<p>Aseptic Medicines (inc Cytotoxic)</p> <p>This contract aims to re-tender the current Aseptic Medicines (including Cytotoxics), which we extended under the previous Generic Drugs–Injections/Infusions contract, which is set to expire on 30th June 2025. Following a detailed review of the previous Injectables contract, we decided to remove the Aseptic Medicines (including Cytotoxics) from that contract and establish a dedicated contract specifically for these products, referred to as the Aseptic Medicines (including Cytotoxics). This approach will allow us to tender using specifications unique to these products, such as sourcing the full range from one supplier and considering the extended stability of these medicines, which is crucial for their use within Aseptic units. The re-tender will focus exclusively on Aseptic Medicines (including Cytotoxics).</p> <p>Contract period 01/07/2025 to 30/06/2028 (with option to extend for a further 12 months to 30/06/29)</p>	Briefing	£7,600,474	25/10/2024	19/12/2024	NA	NA
8.	<p>Stoma Care Support Services</p> <p>The proposed contract will aid Health Boards with the collation of PROMS and PREMS. The Contractor will provide education to support the Continual Professional Development of the Colorectal / Stoma Care Nursing team. This will either</p>	Ratification	£ 10,194,835 income generation	30/10/2024	18/12/2024	20/12/2024	20/12/2024

	<p>be in the form of courses, funding for further higher education study or funding to attend conferences. The contractor will provide educational material for students, new staff and patients, as appropriate. Patient forums will be encouraged and supported to provide peer to peer and nursing engagement. The contractor must undertake patient surveys to identify areas of good and bad experience at least annually. The outcome of these surveys must be shared with the relevant Health Board/s. Performance assurance is of paramount importance to the contract. The contractor will be regularly audited to monitor the quality and effectiveness of the products, the service, and the home delivery service (where relevant). The contract aims to deliver value to those receiving stoma care services and to build on the existing arrangements by delivering a range of benefits across Wales.</p> <p>Contract period: 01st April 2025 – 31st March 2028 with an option to extend for a further 24 months</p>						
9.	<p>Radiology Reporting The All Wales contract has helped to address shortages of capacity and capability, thus ensuring compliance with the European Working Time Directive (EWTD), reducing emergency waiting times, reducing overtime costs, and reducing backlogs. In terms of working practice, images and exam request details are forwarded from the requesting Organisation to the provider. These are then reviewed and in line with the request a radiological findings report is generated. The report is sent back to the requesting Organisation. The local detail of this process varies between the provider and the Organisation due to local operational differences. This outsourced service is used for emergency out-of-hours examinations, routine examinations and backlog reporting.</p> <p>Contract period 1st November 2024 – 31st October 2027 (with an option to extend up to 31st October 2029 in 2 x 12 month increments)</p>	Ratification	£ 45,868,292	30/10/2024	NA Direct Award Framework	05/11/2024	06/11/2024
10.	<p>Influenza Vaccine Season 2025 To contract for Influenza Vaccine to purchase for use by All Wales hospitals, GP's and Community Pharmacists as requested by Welsh Government.</p> <p>Contract period Season 2025 with an option to extend for Season 2026 and Season 2027</p>	Ratification	£32,078,880	30/10/2024	letter received 27/10/24	11/12/2024	11/12/2024

11.	<p>Interim Laundry Services Products In NHS Wales, the availability of clean, high-quality, decontaminated linen is essential to delivering safe, effective patient care. Access to reliable linen services supports the comfort and well-being of patients, contributing to a conducive environment for treatment and recovery. In contrast, a subpar or unreliable laundry service can negatively impact patient experiences, influencing perceptions of NHS services as a whole. Furthermore, linen shortages can disrupt hospital operations, limiting bed availability and potentially leading to the postponement of procedures. Therefore, maintaining a dependable supply of clean and decontaminated linen is critical to the smooth operation of healthcare services across NHS Wales.</p> <p>Contract period 1st of November 2024 until the 30th of April 2025 (6 months) plus 3 months extension</p>	Ratification	£ 1,016,763	30/10/2024	NA Direct Award Framework	05/11/2024	06/11/2024
12.	<p>Family Planning Requisites The contract consists of all family planning requisites purchased by all hospital Pharmacy Departments in Wales for use by Family Planning Clinics. The contract contains combined hormonal contraceptives, progesterone only contraceptives, emergency contraceptives and the intra-uterine contraceptive devices.</p> <p>Contract period 1st April 2022 – 31st January 2025, plus 12 months</p>	Extension	£501,728	07/11/2024	original approval below WG threshold	NA	NA
13.	<p>Prosthetics The framework will provide a range of Prosthetic items and associated products. These include: Lower Limb Prosthesis, e.g.: knee, feet and hips, Upper Limb Prosthetics including Hands both mechanical and passive, wrist, and elbow and accessories or consumables for example socks and liner coverings.</p> <p>Contract period 01/04/2025-31/03/2029 with option to extend for 12 months</p>	Ratification	£15,028,033	19/11/2024	sent to WG 26/11, chased 14/1		
14.	<p>All Wales e-Scheduling Caseload Management Solution Safe intelligent scheduling system for managing community services and its distributed domiciliary workforce in Wales. The system must automate the caseload scheduling process to ensure visits are optimally appointed. Provide domiciliary employees with a mobile digital solution to schedule their visits.</p>	Ratification	£3,370,008	25/11/2024	sent to WG 25/11		

	Contract period 31st December 2024 to 30/12/2027 plus 3 years in whole or part.						
15.	Oxygen therapy & inhalation The framework seeks to establish an All Wales compliant agreement for Oxygen Therapy and Inhalation, this includes barrell venturis, tracheostomy/aerosol masks, nasal cannulas, nebulisers, compressors etc. Contract period 4 years 01/01/2025 – 31/12/2029	Ratification	£2,835,115	25/11/2024	sent to WG 26/11		
16.	General Waste & Recycling services The collection and disposal of non-hazardous waste for Aberystwyth University, Aneurin Bevan, Hywel Dda, Cwm Taf Morgannwg, HEIW, Swansea Bay, Velindre, Welsh Blood and NHS Wales Shared Services Partnership sites within Cardiff and Newport sites. Contract period 3 years with 2 years extension option 01/04/2025 -31/03/2028 (31/03/2030)	Ratification	£12,362,063	09/12/2024	sent to WG 9/12		
17.	Computer consumables Currently Health Boards/Trusts purchase a mixture of original branded, third-party compatible and remanufactured cartridges to meet their individual requirements. There are no minimum order quantities or carriage charges applicable to the current agreement. Contract period 01/04/2025 – 31/03/2028 with option to extend to 31/03/2029	Briefing	£7,971,980	28/11/2024	sent to WG 28/11	NA	NA
18.	Provision of Various Building & Roofing Works TRAMS 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. The Programme Business Case was endorsed by the Minister for Health & Social Care in March 2021. The South-East Wales Hub Project sits within the TRAMS programme and aims to deliver investment in a medicines preparation hub, including regional service to South-East Wales as well as certain national capabilities. This project commenced in April 2021 and is in progress. It is currently planned to conclude the commissioning of the hub by March 2027. Contract period TBC - December 2024 (One-off Purchase)	Ratification	£963,180	29/11/2024	NA WG Funded	14/01/2025	NA

19.	<p>Transitional Medicines 3</p> <p>This contract is for the tender of medicines which are all shortly due to lose their patent exclusivity (or have previously lost their exclusivity and now have competition available in the UK) and therefore will have generic competition available. They are therefore transitioning from the current arrangements of being a sole originator supplier (either via an All-Wales Contract or a Patient Access Scheme) to a Generic Medicines arrangement where there are a number of suppliers available in the market. The following medicines will be tendered:- Amphotericin B Liposomal; Eculizumab; Icatibant; Natalizumab; Omalizumab; Plerixafor; Pomalidomide; Tocilizumab; Thalidomide; Golimumab</p> <p>Contract period 01/04/2025-30/06/2026 (plus 24 months)</p>	Briefing	£ 41,175,109	03/12/2024	06/12/2024	NA	NA
20.	<p>Parenteral Nutrition</p> <p>This contract consists of all Parenteral Nutrition products purchased through Pharmacy Departments. When adequate feeding through the alimentary tract is not possible, nutrients may be administered by intravenous infusion. This may be in addition to ordinary oral tube feeding – supplementary parenteral nutrition or may be the sole source of nutrition – total parenteral nutrition (TPN). Indications for this method include preparation of undernourished patients for surgery, chemotherapy or radiation therapy, severe or prolonged disorders of the gastro-intestinal tract, trauma or burns, prolonged coma or refusal to eat and some patients with renal or hepatic failure. Parenteral Nutrition requires the use of a solution containing amino acids, glucose, fat, electrolytes, trace elements and vitamins. This is now commonly provided by Pharmacy Departments in the form of a 3-litre bag</p> <p>Contract period 01/08/2025 – 31/07/2028 (With option to extend for a further 12 months to 31/07/2029)</p>	Briefing	£1,054,094	03/12/2024	10/12/2024	NA	NA
21.	<p>Agency Nursing</p> <p>The reduction of agency expenditure has been identified as a priority by the Value and Sustainability Board. There is also a commitment detailed in the National Workforce Implementation Plan to reduce agency usage by working with NHS Wales organisations to develop and implement</p>	Briefing	£244,000,000	11/12/2024	sent to WG 11/12	NA	NA

	<p>best practice and compassionate roster management and work scheduling across NHS.</p> <p>This contract proposal is for the re-tender of the Agency Nurses, Midwives, Healthcare Assistants and Operating Department Practitioners contract for a period of three years from 1st March 2025 with an option to extend for a further one year. All Agency Nursing staff used in the Acute Sector are included within the contract.</p> <p>Contract period: 01/03/2025 to 29/02/2028 (with option to extend for a further 12 months to 28/02/2029)</p>						
22.	<p>Sterilisation Decontamination consumables</p> <p>The contract enables users to purchase a variety of products that support disinfection and sterilisation practices. These include disinfectant chemicals and wipes, instrument trays, endoscopy brushes, and related accessories, through a compliant All Wales agreement</p> <p>Contract period: 1st April 2025 – 31st March 2028 (with option to extend for 24 months)</p>	Ratification	£14,000,000	20/12/2024	sent to WG 20/12		
23.	<p>IV & Irrigation solutions</p> <p>This contract is for all parenteral preparations for fluid and electrolyte imbalance and irrigations solutions that are purchased by hospital pharmacy departments in Wales.</p> <p>Contract period: 1st February 2022 to 31st January 2024 (plus 24 months)</p>	Extension	£3,595,898	09/01/2025	original approval applies 17/01/2021	09/01/2025	sent to TM 9/1
24.	<p>AW Auction Services</p> <p>A concession contract to provide a device resale and disposal service for NHS Wales. Commission will not be charged but other fees such as inspections, repairs, and data wiping may apply.</p> <p>Contract period January 2025 – 31st December 2027, with optional extension to 2029</p>	Ratification	£4,500,000	09/01/2025	sent to WG 9/1		
25.	<p>Biologics and Biosimilars</p> <p>The Biologics Framework Agreement is for the provision of Adalimumab, Bevacizumab, Etanercept, Infliximab, Rituximab, Teriparatide and Trastuzumab originator and biosimilar medicines direct to hospitals and to patients' homes via homecare providers. This Framework Agreement is a retender of the current biologics Agreement and also incorporates the current Trastuzumab Agreement, both of which are due to expire on 30th June 2025.</p>	Ratification	£24,040,275	Sent to JI 14/1			

	<i>Contract period: 1st July 2025 to 30th June 2028 (with an option to extend a further 12 months to 30th June 2029)</i>						
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MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	5 February 2025
PREPARED BY	James Quance, Assistant Director of Corporate Services
PRESENTED BY	James Quance, Assistant Director of Corporate Services
RESPONSIBLE HEAD OF SERVICE	Alison Ramsey, Director of Finance and Corporate Services
TITLE OF REPORT	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 to the target risk A10.

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:

Current Risk Rating	January 2025
Red Risk	6
Amber Risk	9
Yellow Risk	0
Green Risk	0
Total	15

2.1 Red-rated Risks

The 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 risk in respect of the impact on staff time and resources as a requirement of responding to the COVID 19 UK Public Inquiry (A6);

- the threat to the TRAMS programme and the consequent impact in South-East Wales if funding is not made available (A10); and
- the availability of capital funding remains a significant risk (A12).

The risk in respect of the impact on staff time and resources as a requirement of responding to the COVID 19 UK Public Inquiry (A6) has been increased to 16 following recent requests for further information and clarification in respect of Module 5.

The following risk scores have reduced following management action:

- the Primary Care Workforce Information System supplier dispute causing delayed go-live date and build specification uncertainty (A13) reduced from 20 to 16 following progress made with the supplier; and
- the risk that suitable office accommodation will not be found when leases expire at Charnwood Court and Companies House resulting in disruption to services and for staff and a corresponding fall in quality and responsiveness of the services impacted (A14) has reduced from 16 to 12 following extension of leases at both sites.

2.3 Target Risk Update

The target risk for the TRAMS programme (A10) has been increased to amber due to delays in obtaining the signed s106 agreement which in turn led to a delay in the receipt of final planning permission.

RISKS FOR MONITORING

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

Current Risk Rating	January 2025
Red Risk	0
Amber Risk	2
Yellow Risk	3
Green Risk	0
Total	5

3. RECOMMENDATION

The Audit Committee is asked to:

- **NOTE** the Corporate Risk Register; and
- **APPROVE** the proposed change to the target risk risk A10.

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				
Risks for Action												
A1	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 Annual CAF completed Continuing CAF compliance measured via KPIs through a continuous improvement plan. Regular 'Exercise in a box' events. Regular phishing testing alongside proactive communications on cyber awareness. Part of All-Wales Cyber Security Network Increased resource in Cyber Security Team.	2	5	10	Complete actions and regular review of continuous improvement plan	Divisional Business Impact Assessments to be completed by Mar 25 Supply chain assurance processes to be agreed by Jun 25. Rolling program to implement Sentinel Security Uincident and Event Monitoring to local and cloud services	➔	At target
	Strategic Objective - Service Development									Risk Lead: Director of Planning, Performance & Informatics		
A2	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. Templates being rolled out to support workforce planning.	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
	Strategic Objective - Staff									Risk Lead: Director People & OD		
A3	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. Director of Procurement and HCS and Director of Planning, Performance and Informatics attended all Wales management team meeting on lessons learned in October 2024 and awaiting WG consolidated learning.	Head of Emergency Preparedness commenced in post w/c 13 January 2025. Director of Planning Performance and Informatics attends weekly HCID meetings to represent NWSSP Business continuity exercises continue to be planned.	➔	31/03/2025
	Strategic Objective - Services									Risk Lead: Director Planning, Performance & Informatics		
A4	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. An option paper on future stockholding arrangements is with the Cabinet Secretary for approval and NWSSP will be directed by Welsh Government to implement what is agreed.	➔	31/03/2025
	Strategic Objective - Services									Risk Lead: Director Finance & Corporate Services		
A5a	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 and the BELP group. Bids are being developed by NWSSP to utilise 24/25 slippage and TEF funds 25/6-26-7.	➔	31/03/2025
	Strategic Objective - Service Development									Risk Lead: Director, Specialist Estates Services		

A5b	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. Work is being done by the Decarbonisation Delivery Group to target deliverable amounts within the current environment and to continue research into potential wider funding sources.	➔	31/03/2025
Strategic Objective - Service Development												
Risk Lead: Director, Specialist Estates Services												
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 for Module 5 confirmed. Evidence provided for Module 5 and Module 3 with further clarification and other requests arriving from the Inquiry Team.	4	4	16	The Inquiry has recently asked for further information and clarification in respect of Module 5 within very challenging timescales which are expected to be met.	Significant requests for information requiring a large amount of input from the Director of Procurement and HCS and others have been met, with support from the Corporate Services Team, Legal and Risk and Legal Counsel. Monitoring the disclosures from core participants and preparations for the hearings in March are expected to be the most time consuming activity over coming months.	⬆️	31/03/2025
Strategic Objective - Services												
Risk Lead: Director, Finance & Corporate Services												
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.	£2M distribution agreed in principle back to partners based on forecast outturn for 2024/25. The IMTP for 2025/28 will be considered by SSPC on 3 February with several savings plans, risks and opportunities to be carefully managed during the year ahead. However, a budgeted plan is to be submitted to Welsh Government.	➔	31/03/2025
Strategic Objective - Services												
Risk Lead: Director, Finance & Corporate Services												
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, i.e. 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.	3 areas of procurement legislation this year are likely to have significant impact on Procurement Services.	➔	At target
Strategic Objective - Services												
Risk Lead: Responsible Directors												
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
Strategic Objective: Services												
Risk Lead: Director, Finance & Corporate Services												
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 November 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 submitted for approval. Planning permission has been granted subject to a s106 agreement which requires Velindre Trust to sign which is awaited.	➔	31/03/2025
Strategic Objective - Services												
Service Director TRAMs												
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	Implemented recommendations from Internal Audit Report (30 Jun 24) Head of Emergency Preparedness appointed.	Head of Emergency Preparedness appointed and started in post w/c 13 January 2025.	➔	At target
Strategic Objective: Services												
Risk Lead: Director Planning, Performance & Informatics												

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 resources	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.	Some additional capital released by WG which has been helpful to address areas of need. Continue to monitor and report into WG and prioritise discretionary capital to areas of greatest need.	➔	31/03/2025
	Strategic Objective - Service Development									Risk Lead: Director Planning, Performance & Informatics		
A13	The 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	4	4	16	There have been significant contractual and subcontractor issues that have affected the progress of this project through its life cycle that have meant delays to anticipated completion.	We are currently anticipating that the new system will see Release 1 in place and operational by 31st March 2025, replicating current WNWRS capabilities, with a further release later in 2025 to fulfil agreed contract requirements in relation to Performer's List requirements. The functionality will already have been built in the system but will be released for use later to reduce the demands on users. The Project is behind original timescales but, having been close to failure, is now back on track to deliver a full system build for both WNWRS and Performer's List requirements by 31st March 2025, with payment in full tied to delivery milestones before year end.	⬇	31/03/2025
	Escalated Divisional Risk									Risk Lead: Director of Primary Care		
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 to services and for staff and a corresponding fall in quality and responsiveness of the services impacted.	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	3	4	12	Leases being extended to April 2025 for Companies House and 1 January 2026 for Charnwood Court.	The lease on Charnwood Court has been extended until 1 January 2026 with options to extend if we choose and CoHo until April 2025. The most recent discussions with CoHo now suggest we could enter into a 3 year lease with a 12 month rolling agreement. This would allow us to take more time to find a medium term solution in line with our future business need and agile working arrangements.	⬇	At target
	Escalated Divisional/Programme Risk									Risk Lead: Director, Finance & Corporate Services		
Risks for Monitoring												
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.	➔	
	Strategic Objective - Value For Money									Risk Lead: Director of Finance & Corporate Services		
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.	➔	
	Strategic Objective - Service Development									Risk Lead: Programme Director		
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) - PPE stock holding meeting scheduled for 29 November; key to confirming stock holding levels as part of resilience plans and future warehousing requirements (capital).	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.	➔	
										Risk Lead: Director of Finance & Corporate Services		

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.	→	
	Escalated Divisional Risk										Risk Lead: Service Director		
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										Risk Lead: Director of Procurement Services		

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
	Critical	Urgent action by senior management to reduce risk				
	Significant	Management action within 6 months				
	Moderate	Monitoring of risks with reduction within 12 months				
	Low	No action required.				

	New Risk
	Escalated Risk
	Downgraded Risk
	No Trend Change



MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	05 February 2025
PREPARED BY	Carly Wilce, Corporate Services
PRESENTED BY	James Quance, Assistant Director of Corporate Services
RESPONSIBLE HEAD OF SERVICE	Alison Ramsey, Director of Finance and Corporate Services
TITLE OF REPORT	Update on the Implementation of Audit Recommendations
PURPOSE	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

The detailed recommendations raised in respect of our services have been captured in a database. A copy of the summary extract is attached at **Appendix A**, for information.

There are **33** reports covered in this review; **8** reports have achieved **Substantial** assurance; **20** reports have achieved **Reasonable** assurance, **1** report achieved **Limited**, no reports were awarded with **No Assurance**; and **4** reports were generated with **Assurance Not Applicable**. The reports include **99** recommendations for action.

Table 1 - Summary of Audit Recommendations

As at 30 January 2025					
Recommendations		Implemented	Not Yet Due	Overdue	Dependant on third party organisations
Internal Audit	91	88	2	1	1
<i>High</i>	5	5	0	0	0
<i>Medium</i>	60	57	2	1	1
<i>Low</i>	19	19	0	0	0
<i>Not Applicable</i>	7	7	0	0	0
External Audit	5	4	1	0	0
<i>High</i>	0	0	0	0	0
<i>Medium</i>	5	4	1	0	0
<i>Low</i>	0	0	0	0	0
<i>Not Applicable</i>	3	3	0	0	0
Other Audit	3	3	0	0	0
<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
TOTALS:	99	95	3	1	1

3. Overdue Recommendations

There is one recommendation to report in this category, however the action is not fully within the control of NWSSP to fully to fully implement because it requires the agreement of a number of parties as described below. 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 are 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. The latest position, reason for delay and proposed revised timescales are set out below:

- Reference #1 – The action was to put a Service Level Agreement (SLA) in place for Student Awards with the agreed implementation date of 31 December 2024. Unfortunately, this is an area where there are multiple parties and complex accountability arrangements, which need to be worked through with partners. A proposed SLA has been drafted, and a meeting was held with Welsh Government (WG) on 16 January 2025 to discuss implementation. Final agreement of the Service Level Agreement with Health Education Improvement Wales (HEIW) and WG is awaited, but is being

NWSSP Audit Committee
05 February 2025

actively pursued to ensure the SLA is in place prior to the start of the next financial year. Therefore the Audit Committee is requested to approve an extension to the deadline for implementation to 31 March 2025.

5. RECOMMENDATIONS

The Audit Committee is asked to:

- **NOTE** the report findings and progress made to date regarding implementation of audit recommendations; and
- **APPROVE** the proposed revised deadlines, as follows:
 - # 1 Student Awards Services - Extension from **31/12/2024** - **31/03/2025**

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-2324-10	1	Employment Services	Sudent Awards Services	DEPENDANT ON THIRD PARTY ORGANISATIONS	Medium	There is no service level agreement in place between NWSSP SAS and HEIW setting out the roles and responsibilities of each party.	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	31/03/2025	Unfortunately, this is an area where there are multiple parties and complex accountability arrangements, which need to be worked through with partners. A proposed SLA has been drafted, and a meeting was held with Welsh Government (WG) on 16 January 2025 to discuss implementation. Final agreement of the Service Level Agreement with Health Education Improvement Wales (HEIW) and WG is awaited, but is being actively pursued to ensure the SLA is in place prior to the start of the next financial year.
NWSSP-2223-1a	2	Procurement Services	Laundry Services	NYD	Medium	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 Benchmarker 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.	Reiterated from the 2021/22 audit of Llanisamet 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	The laundry transformational program has been paused at the request of the Welsh Government. However management are pursuing an alternative plan based on the improved service resilience and reduction in statutory backlog. Carmarthen laundry decommissioned on the 31st March 2024 and TUPE transferring the staff in at Church Village laundry. This will result in a 4 unit model going forward for the foreseeable future as apposed to the 3 unit model outlined in the PBC.
SSP SSU 2425- 14	3	Specialist Estates Services		NYD	Medium	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): 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. 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. 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. 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.	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.	Head of Building for Wales	Agreed. A Post Project Evaluation exercise will be undertaken, and a formal report submitted to Strategic Framework Board.	31 May 2025 (to align with the available Strategic Framework Board meetings)		A post project evaluation will commence in the New Year.
AW/2023-24/2	4	Primary Care Services	NHAIS	NYD	Medium	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 (DHCW) Church Village data centre. The move of the server infrastructure was planned for late Summer 2024. 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.	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.	Ceri Evans - Head of Primary Care Services	Work in progress. 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.	30/06/2025		Corporate Digital/IT team are planning on completing the DR testing in June 25. This remains on track.

MEETING	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
DATE	5 February 2025
PREPARED BY	Carly Wilce, Corporate Services Manager
PRESENTED BY	James Quance, Assistant Director of Corporate Services
RESPONSIBLE HEAD OF SERVICE	Alison Ramsey, Director of Finance & Corporate Services
TITLE OF REPORT	Audit Committee Forward Plan 2025-26

PURPOSE

To provide a summary of items expected to be presented at forthcoming Audit Committee meetings, scheduled for 2025-26.

Month	Standing Items	Audit Reports	Governance	Annual Items
Q1 2025/26 15 April 2025 Via Microsoft Teams	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement NWSSP Update	Internal Audit As outlined in the Internal Audit Operational Plan External Audit Audit Assurance Arrangements for NWSSP 2024-25	Governance Matters Tracking of Audit Recommendations Corporate Risk Register Review of Risk Management Protocol, Risk Appetite Statement and Assurance Mapping	2025-26 Counter Fraud Annual Plan Internal Audit Operational Plan 2025-26 and Internal Audit Charter IMTP
Q2 2025/26 8 July 2025 In person meeting at IP5 in Newport	Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement NWSSP Update	Internal Audit As outlined in the Internal Audit Operational Plan	Governance Matters Tracking of Audit Recommendations Corporate Risk Register Review of Audit Committee Terms of Reference Review of Standing Orders for the Shared Services Partnership Committee	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
Q3 2025/26 14 October 2025 Via Microsoft Teams	Minutes & Matters Arising External Audit Position Statement	Internal Audit As outlined in the Internal Audit Operational Plan	Governance Matters	Audit Committee Effectiveness Survey Results

	<p>Internal Audit Progress Report</p> <p>Counter Fraud Position Statement</p> <p>NWSSP Update</p>	<p>Quality Assurance & Improvement Programme</p> <p>External Audit Audit Wales Nationally Hosted IT Systems Report</p> <p>Audit Wales Management Letter</p>	<p>Tracking of Audit Recommendations</p> <p>Corporate Risk Register</p>	
<p>Q4 2025/26 21 January 2026 Via Microsoft Teams Meeting not scheduled at present</p>	<p>Minutes & Matters Arising</p> <p>External Audit Position Statement</p> <p>Internal Audit Progress Report</p> <p>Counter Fraud Position Statement</p> <p>NWSSP Update</p>	<p>Internal Audit As outlined in the Internal Audit Operational Plan</p> <p>External Audit Audit Wales Office Proposed Audit Work</p>	<p>Governance Matters</p> <p>Tracking of Audit Recommendations</p> <p>Corporate Risk Register</p> <p>Review of Risk Management Protocol, Risk Appetite Statement and Assurance Mapping</p>	<p>Annual pre-meet between Audit Committee Chair, Independent Members, Internal and External Auditors and Local Counter Fraud</p> <p>Integrated Medium Term Plan</p>