

NWSSP Audit Committee

Tue 25 January 2022, 14:00 - 16:00

Microsoft Teams

Agenda

14:00 - 14:00
0 min

1. Standard Business

Martin Veale

1.1. Welcome and Opening Remarks (verbal)

Martin Veale

1.2. Apologies

Martin Veale

1.3. Declarations Of Interest

Martin Veale

1.4. Minutes Of Meeting Held on 12 October 2021

Martin Veale

 1.4 Audit Ctte Minutes 12 Oct 2021.pdf (7 pages)

1.5. Matters Arising

Martin Veale

 1.5 Matters Arising.pdf (1 pages)

14:00 - 14:00
0 min

2. NWSSP Update

Neil Frow

 2. AC MD Update Jan 22.pdf (6 pages)

14:00 - 14:00
0 min

3. External Audit

Steve Wyndham

3.1. Audit Wales Update

Steve Wyndham

 3.1 NWSSP - Audit Wales update paper - Jan 2022.pdf (8 pages)

3.2. Audit Wales Stock/Inventories Report 2021/22

 3.2 Audit Wales Inventories briefing paper January 2022 Audit Ctte - final.pdf (3 pages)

3.3. Audit Wales Assurance Paper

14:00 - 14:00
0 min

4. Internal Audit

James John

4.1. Internal Audit Position Statement

James John

4.1 A&A NWSSP Audit Cttee progress report Jan 22.pdf (6 pages)

4.2. Internal Audit Reports

James John

4.2.1. WIBSS Internal Audit Report

4.2.1 Final Internal Audit Report NWSSP-2122-05 WIBSS.pdf (11 pages)

4.2.2. Salary Sacrifice Internal Audit Report

4.2.2 NWSSP-2122-07 Salary Sacrifice Report.pdf (11 pages)

4.2.3. Stores Internal Audit Report

4.2.3 Stores Final Internal Audit Report.pdf (15 pages)

4.2.4. IT Infrastructure Internal Audit Report

4.2.4 - IT Infrastructure Final Internal Audit Report.pdf (28 pages)

14:00 - 14:00
0 min

5. Counter Fraud

Nigel Price

5.1. Counter Fraud Update

Nigel Price

5.1 Counter Fraud Position Statement 20.01.2022.pdf (5 pages)

14:00 - 14:00
0 min

6. Governance, Assurance & Risk

6.1. Stock take Report

Andy Butler

6.1 AC Stock Report (003).pdf (4 pages)

6.2. Governance Matters

Andrew Butler

6.2 Governance Matters_.pdf (21 pages)

6.2. Out of Date Stock 2019~20 & 2020~21.pdf (8 pages)

6.3. Annual Review 2020-21

 6.3 NWSSP Annual Review 2020-21.pdf (50 pages)

6.4. Review of Standing Orders

Andrew Butler

 6.4 AC Review of Standing Orders .pdf (2 pages)

6.5. Corporate Risk Register

Peter Stephenson

 6.5 Corporate Risk Register .pdf (2 pages)

 6.5 Corporate Risk Register 20220111.pdf (4 pages)

6.6. Tracking of Audit Recommendations

Peter Stephenson

 6.6 Tracking of Audit Recommendations .pdf (2 pages)

 6.6 Appendix A Audit recommendations Tracker_.pdf (4 pages)

14:00 - 14:00 7. For Information Only

0 min

7.1. Welsh Language Annual Report 2020-21

 7.1 Welsh Language Annual Report for NWSSP 2021.22_.pdf (12 pages)

7.2. Audit Committee Forward Plan

 7.2 Audit Committee Forward Plan.pdf (3 pages)

7.3. Plan on a Page

 7.3 Plan on a page.pdf (1 pages)

14:00 - 14:00 8. Any Other Business (By Prior Approval Only)

0 min

Martin Veale

14:00 - 14:00 9. Time and Date of Next Meeting, 5 April 2022

0 min

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

MINUTES OF MEETING HELD TUESDAY 12 OCTOBER 2021

14:00 - 16:00

Meeting held virtually via Microsoft Teams

Part A - Public

| ATTENDANCE | DESIGNATION | |
|-----------------------------|---|----------------------|
| INDEPENDENT MEMBERS: | | |
| Martin Veale (Chair) | Chair & Independent Member | |
| Gareth Jones (GJ) | Independent Member | |
| ATTENDANCE | DESIGNATION | ORGANISATION |
| Neil Frow (NF) | Managing Director | NWSSP |
| Margaret Foster (MF) | NWSSP Chair | NWSSP |
| Andy Butler (AB) | Director of Finance & Corporate Services | NWSSP |
| Peter Stephenson (PS) | Head of Finance & Business Improvement | NWSSP |
| Lindsay Payne (LP) | Deputy Director of Finance & Corporate Services | NWSSP |
| Carly Wilce (CW) | Corporate Services Manager | NWSSP |
| Simon Cookson (SC) | Director of Audit & Assurance | NWSSP |
| James John (JJ) | Head of Internal Audit | NWSSP |
| Sophie Corbett (SCo) | Deputy Head of Internal Audit | NWSSP |
| Gareth Price (GP) | Personal Assistant | NWSSP |
| Nigel Price (NP) | Local Counter Fraud Specialist | Cardiff and Vale UHB |
| Lauren Fear (LF) | Director of Corporate Governance | Velindre |
| Matthew Bunce (MB) | Director of Finance | Velindre |
| David Burrige (DB) | Audit Lead | Audit Wales |
| Clare James (CJ) | Audit Director | Audit Wales |
| Andrew Strong (AS) | IM&T Audit Specialist | Audit Wales |

| Item | | Action |
|-----------------------------|---|----------------------|
| 1. STANDARD BUSINESS | | |
| 1.1 | <p>Welcome and Opening Remarks</p> <ul style="list-style-type: none"> It was noted that Jan Pickles' term of office as an Independent Member had come to an end. A replacement exercise to replace her is currently underway. <i>Welcome to James Johns, new Internal Audit lead for NWSSP, David Burrige & Clare James, Audit Wales and Matthew Bunce, Velindre NHS Trust.</i> As this meeting would be Mrs Margaret Foster, NWSSP's Chair's last meeting MV expressed his thanks to the Chair for her continued contribution and commitment at the Audit Committee over the past eight years. All members wished her well and good luck for the future. | Verbal Noting |
| 1.2 | <p>Apologies</p> <ul style="list-style-type: none"> Apologies were received from Steve Wyndham, Audit Wales and Steve Ham, Velindre NHS Trust. | Verbal Noting |
| 1.3 | <p>Declarations of Interest</p> <ul style="list-style-type: none"> None received to date. | Verbal Noting |
| 1.4 | <p>Minutes of Meeting held on 29 June 2021</p> <ul style="list-style-type: none"> The minutes of the meeting held in June 2021 were AGREED as a true and accurate record of the meeting with exception to some minor amendments noted | |

| Item | | Action |
|--------------------------|--|-----------|
| | by AB which were Linsay Payne's attendance and there was a financial dating error in 6.1 of the minutes relating to the financial accounting period. CW will amend and update accordingly. | CW |
| 1.5 | Matters Arising from Meeting on 12 June 2021 <ul style="list-style-type: none"> • All matters arising are complete or on the agenda. | |
| 2.0 | NWSSP Update NF provided an update to members on key developments within NWSSP since the last Committee, including: <ul style="list-style-type: none"> • Members of the NWSSP SLG met with Welsh Government at the end of July as part of the formal Joint Executive Team (JET process). In particular NWSSP were able to highlight the influence and contribution they have had on <i>A Healthier Wales</i> and how NWSSP will play their part in supporting Health Boards and Trusts as they plan to recover and continue to respond to the pandemic. The Welsh Government team reflected on NWSSP performance during the last 12 months and were pleased that NWSSP was able to reach beyond traditional boundaries in a supportive manner with a clear focus on problem solving. In particular they highlighted not only 'what' had been achieved but the consistent 'can do' attitude, positive behaviours, and high levels of competency of our staff across a wide range of services. • The milestone of 1 billion items of PPE supplied to NHS Wales, and the Social Care and wider Primary Care sectors was recently reached. A revised PPE strategy had been developed with a requirement to reduce stockholdings of the main items of PPE to a minimum of 16 weeks as requested by Welsh Government. Further work is being undertaken on storage requirement options over the next few months. • The Temporary Medicines Unit was recently subject to a MHRA inspection which resulted in a very positive outcome with only minor issues identified. A further inspection will be undertaken towards the end of the year to support the granting of a Special Licence. The team continue to work on the development of alternative products which should improve quality, produce time savings within Health Boards, with increased value-for-money. However, for the time being, the priority and key focus remains on supporting the Vaccination Programme. • Professor Tracy Myhill MBE has now been appointed as the replacement for Margaret Foster in her role as Chair of NWSSP. She will commence her duties on 1 December. The recruitment process generated some very strong applications which was pleasing. Professor Malcolm Lewis has also retired as Medical Director and Ruth Alcolado has been appointed to this role. | |
| 3. EXTERNAL AUDIT | | |
| 3.1 | Audit Wales Update CJ presented the latest Audit Wales update on current and planned work. All 2021 audit work is now complete, and two reports are provided later on the agenda. The 2022 work programme will commence shortly, and it was noted that discussions had already commenced with NWSSP management in respect of the stock-taking arrangements. The Committee were pleased to note that this matter was being addressed early to avoid the issues experienced in the audit of the 2020/21 financial accounts. | |
| 3.2 | Audit Wales Management Letter DB presented the Audit Wales Management Letter which was very positive with no significant issues identified. A small number of recommendations to improve internal process were outlined in the report. | |

| Item | | Action |
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| | <p>GJ raised a query relating to Procurement contracts approval arrangements mentioned in the main body of the Management Letter. Contracts over £1m require Welsh Government approval prior to award, but Audit Wales identified that due process had not been followed in respect of a Public Health Wales contract. However, AB was able to clarify that as part of PHW's response to the Covid-19 pandemic, some contracts were awarded prior to receiving formal WG approval. In view of supply chain issues and other restrictions, such as US sanctions and global demand and allocations, it was necessary for PHW to urgently secure the testing platforms and associated consumables required to protect the Welsh population. PHW fully engaged with WG officials who were kept informed of the issues and challenges at every stage, which were acknowledged and documented. Retrospective approvals were obtained for compliance and transparency purposes.</p> <p>AB noted a minor error in paragraph 11 of the Management Letter. DB agreed to amend and reissue the report to the members following the meeting.</p> | DB |
| 3.3 | <p>Review of Nationally Hosted Systems</p> <p>AS presented the Nationally Hosted NHS IT Systems follow up review which covered NHAIS, Oracle, and ESR. The report was generally positive but identified some existing controls that could be further strengthened. All recommendations made have been accepted.</p> <p>AB highlighted that the Oracle update had been postponed in July 2021 due to a number of issues being identified during the extensive testing programme that had been put in place . The upgrade was now progressing and was scheduled to be completed in mid-October. NF confirmed that the NHAIS system is still supported, but some issues are starting to arise concerning hosting equipment, as an urgent upgrade is needed.</p> <p>The report would be shared with HB & Trusts to include for information at Audit Committees.</p> | |
| 4. INTERNAL AUDIT | | |
| 4.1 | <p>Internal Audit Position Statement</p> <p>JJ presented the latest Internal Audit Position Statement together with an overview of other activity undertaken since the previous meeting. Two audits have been completed relating to Laundry Services and Student Awards Services follow up and are included later on the agenda. The review of IT services is nearing completion and planning has commenced on audits of Payroll, P2P, Procurement, Salary Sacrifice and Stores.</p> <p>MV asked if the 2021-22 work plan will be completed as scheduled. JJ confirmed that this is always a challenge but that he was confident that it would be completed on time.</p> | |
| 4.2 | <p>Internal Audit Reports</p> <p>The following internal audits were presented to the Audit Committee for consideration.</p> <p>Employment Services</p> <p>SCo presented the Employment Services Internal Audit report which is the last report from the 2020/21 audit plan, and which achieved reasonable assurance. The review highlighted one high level and one medium recommendation for implementation relating to the risk register and sickness recording. MV noted that the KPIs in some areas are not being met. SCo confirmed that a wider piece of work is ongoing regarding KPIs, but some are not within the gift of NWSSP to implement. AB confirmed that a deep dive into KPIs had been undertaken at the recent SLG, with a particular focus on Employment Services. The additional demands on Employment Services were noted due to significant numbers of additional staff being recruited by Health Boards to respond to and recover from COVID, together with the added complexities of dealing with the COVID bonus and recent pay awards. GJ noted that the high-risk recommendation was due by 30 September and asked</p> | |

| Item | | Action |
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| | <p>whether this had been implemented. PS acknowledged this and highlighted that recommendations are added to the Corporate Tracker following the Audit Committee meeting at which the report is presented, and that therefore unfortunately he was unaware of the status of this action.</p> <p>He would endeavour to establish the up-to-date position on the recommendation and report back at the next Committee. However, going forward the procedure would now change to ensure that agreed actions are added to the Tracker as soon as the report is finalised.</p> <p>Laundry Service Review The overall objective of the Laundry review was to determine a baseline position for the new national Laundry Services hosted by NWSSP. Three of the five Laundries transferred to NWSSP April 2021, with remaining sites migrating at the start of October. The audit was focused on the Swansea Laundry and achieved a rating of Reasonable Assurance with six medium priority and three low risk recommendations for implementation. The majority of the risks identified will be addressed as part of the All-Wales Laundry Programme of works.</p> <p>Student Awards The purpose of the follow up review of Student Award Services was to assess progress against the actions arising from an audit undertaken earlier in the year. The review confirmed that three of the recommendations previously raised had been fully addressed whilst two were partially implemented, with one new recommendation raised. The audit confirmed that some progress had been made in addressing the concerns raised in the original audit although there were still two high priority recommendations outstanding. The Committee highlighted the need to address these outstanding recommendations as a matter of priority and requested that a further update was provided at the next Audit Committee.</p> | PS/CW |
| 4.3 | <p>Quality Assurance and Improvement Programme 2020-21</p> <p>SC presented the 2020/21 Quality Assurance and Improvement Programme report, reminding the Committee that this was a requirement of the Public Sector Internal Audit Standards. As part of the programme SC reviewed a sample of approximately 10% of the total audits undertaken in-year covering all organisations audited across NHS Wales to ensure the quality of the file. The findings from his review were largely positive, with just a small number of minor points noted.</p> <p>The report also covers the Internal Audit Quality Assurance Framework and again demonstrated how this had been complied with. There were a small number of areas identified for further development. The report also summarised performance via client satisfaction surveys and achievement of KPIs which were all largely positive. Regular meetings are held, and presentations given, to the Board Secretaries and the Audit Committee Chairs to ensure that any areas for improvement can be identified and addressed. Finally, the recent Audit Wales external audit confirmed that Internal Audit work could be relied upon for the purposes of their audits.</p> <p>The report would be shared with other Audit Committees, and the Board Secretaries, following its endorsement.</p> <p>The Audit Committee ENDORSED the Quality Assurance and Improvement Programme Report 2020-21.</p> | |
| 5. COUNTER FRAUD | | |
| 5.1 | <p>Counter Fraud Position Statement</p> <p>NP presented the Counter Fraud Position Statement providing an update as to progress made with the work plan. A total of 29 days has thus far been completed for Shared Services, with no ongoing investigations. The service has been impacted this year by the long-term sickness of the Counter Fraud Manager who will not be returning to the post, due to ill health. The team are currently recruiting a new investigator.</p> | |

| Item | | Action |
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| 5.2 | <p>Counter Fraud Annual Report 2020-21</p> <p>NP presented the 2020-21 Counter Fraud Annual report to the Committee. The report reviews Counter Fraud activity over the period and highlights the difficult year due to COVID and staffing issues. The team have however been proactive and particularly in delivering Counter Fraud training to staff, with 14 Fraud Awareness sessions delivered to over 200 staff.</p> <p>The Committee NOTED the 2020/21 Annual Report.</p> | |
| 5.3 | <p>Counter Fraud Annual Workplan 2021-22</p> <p>NP presented the 2021-22 Counter Fraud Annual workplan to the Committee. The total number of days designated to NWSSP is 75 due to available resource. However, it is recognised that the growth in NWSSP in terms of both size and complexity means that this level of days is now insufficient. Until further staff can be recruited, the C&V team will focus on proactive work, and particularly the continuation of fraud awareness sessions, and any investigative work will be picked up by Counter Fraud Services Wales, with support from Internal Audit.</p> <p>The Audit Committee APPROVED the 2021-22 work plan on the basis set out above.</p> | |
| 5.4 | <p>Raising Our Game Action Plan</p> <p>PS provided the Committee with an update as to the latest developments regarding the Raising our Game Action Plan. The Plan was produced in response to the Audit Wales review of Counter Fraud services across the Welsh Public Sector, and was originally brought to the April 2021 Audit Committee, with an agreement that it would come back to the Committee on a six-monthly basis. The Action Plan is reviewed at the quarterly meetings of the Counter Fraud Steering Group and the areas that remain a key focus are LCFS resource, training, and data analytics.</p> | |
| 6. GOVERNANCE, ASSURANCE AND RISK | | |
| 6.1 | <p>NWSSP Audit Committee Annual Report 2020-21</p> <p>MV presented the 2020-21 Audit Committee Annual Report to the Committee. Despite a challenging year, no meetings of the Committee were cancelled with all meetings held via TEAMS. The report outlines the areas reviewed during the year and the results of all audit activity, which saw no audits rated as either limited or no assurance, and the vast majority of audit actions implemented within agreed timescales. The Head of Internal Audit Opinion provided a rating of reasonable assurance and the report highlighted that a characteristic of the Committee's work and its related meetings has been the willingness of all parties to raise issues, acknowledge shortcomings and put forward positive suggestions to help bring about meaningful improvements to services, systems, and day-to-day working practices.</p> | |
| 6.2 | <p>Audit Committee Effectiveness Survey</p> <p>CW presented the Audit Committee Effectiveness Survey. The anonymised survey was undertaken to obtain feedback from Committee members on performance and potential areas of development and was issued to all members in July 2021. Although the number of responses was reduced from previous years, the responses received were very positive with no significant areas to address.</p> | |

| Item | | Action |
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| 6.3 | <p>Covid-19 Expenditure report</p> <p>LP presented the latest Covid-19 Expenditure report to the Committee. Key points to note were that the increased delegation limits introduced for Covid-19 have now reverted back to pre-Covid limits with effect from 1 October 2021. PPE expenditure as of 31 August 2021 totalled £13.171m with a full year forecast spend of £32.024m.</p> <p>A large number of items of PPE have been donated to India and Namibia, to help those countries respond to the virus. While the amounts donated will therefore need to be written off stock values, Welsh Government will fund the donations.</p> <p>LP highlighted that the teams involved in administering the PPE had recently won a Finance Wales Award and had also been highly commended in the UK Public Finance Awards.</p> <p>Questions were asked as to how a greater proportion of the spend on PPE could be redirected to Welsh companies. LP and AB stated that significant use was made of Welsh suppliers during the pandemic, particularly with regards to hand sanitisers and face visors. A PPE Framework contract has recently been let which has seen around 90 suppliers submit bids including a number of Welsh manufactures / suppliers. NWSSPs strategy going forward was to make greater use of Welsh suppliers going forward to support the Foundational Economy and provide a more resilient supply chain.</p> | |
| 6.4 | <p>Stock Report</p> <p>AB presented a Stock Management Arrangements paper to the Committee. Due to the need to originally hold 24 weeks of stock of all items of PPE, due to the twin threats of COVID and BREXIT, the total stock currently held is valued at over £87m compared to £3m to £m in normal times. Whilst the latest PPE Plan reduces the required minimum stockholding down to 16 weeks this will take some time to achieve. As a consequence, stock is stored over both a number of NWSSP sites and with three external providers. The report details the stock taking arrangements in place for each stockholding. All NWSSP Stores operate a Warehouse Management System (WMS) to record and check stock levels, and two of the external sites have their own inventory management systems. These produce a monthly stockholding report which is reconciled to the NWSSP Inventory System. Monthly visits to these stores are undertaken by NWSSP staff who perform random stock checks. The remaining external supplier does not have an Inventory Management System so NWSSP staff undertake monthly physical stock checks and reconcile the results to the NWSSP Inventory System. Additionally, there are a number of Governance Groups in place to oversee the arrangements and as previously mentioned Internal Audit will shortly be undertaking a review of these arrangements.</p> <p>It was also highlighted that discussion were ongoing with Audit Wales to enable them to undertake their year-end stocktaking arrangements.</p> | |
| 6.5 | <p>Governance Matters</p> <p>AB presented the Governance Matters paper, providing the Committee with contracting activity from 22 June 2021 to 3 October 2021. The report summarises that:</p> <ul style="list-style-type: none"> ○ There have been no departures from the Standing Orders; ○ NWSSP have let 18 contracts during the reporting period; ○ On an All-Wales basis, 64 contracts have been let of which 32 were at briefing stage, 23 were at ratification stage and 9 were extensions against contracts; ○ There have been no declarations made as to gifts, hospitality, and sponsorship during the reporting period; and ● NWSSP have submitted a nil return to Welsh Government in respect of the quarterly update on limited and no assurance reports for Internal Audits. | CW |

| Item | | Action |
|---|--|--------|
| | MV raised a query regarding contract Item 29 detailed in Appendix B, All Wales Activity. CW would obtain contracting information and share with MV following the meeting. | |
| 6.4 | <p>Assurance Mapping</p> <p>PS presented updated Assurance Maps for each of the Directorates and main teams in NWSSP. The Maps are presented annually to Audit Committee and generally reflect that sufficient assurances are in place for the inherent risks faced by each Directorate or Team. Maps have additionally been completed for Laundry Services this year and will be completed for other new services such as the Single Lead Employer and the Medical Examiner Service.</p> | |
| 6.5 | <p>Corporate Risk Register</p> <p>PS presented the Corporate Risk Register and advised that there remains one red risk relating to the upgrade to the NHAIS system. Connectivity issues with the system have now been addressed and the go-live date is now planned for 1 April 2022.</p> | |
| 6.6 | <p>Tracking of Audit Recommendations</p> <p>PS presented the tracker containing 239 recommendations, of which 230 were implemented, three were not yet due, one is not within NWSSP's gift to implement leaving five recommendations outstanding. Three of these relate to the Student Awards Service where the audit report was received earlier on the Committee agenda. Of the remaining two, one relates to Accounts Payable and one to Payroll. In all cases, the actions agreed are multi-layered and good progress has been made in addressing the majority of the agreed actions. It is anticipated that all five actions should be closed by the date of the next Committee.</p> | |
| 7. ITEMS FOR INFORMATION | | |
| 7.1 | <p>The following reports were received for information:</p> <ul style="list-style-type: none"> • Audit Committee Forward Plan 2021-22; • PPE Winter Plan; • NAO Best Practice Climate Change; and • Freedom of Information Annual Report 2020/21. | |
| 8. ANY OTHER BUSINESS | | |
| 8.1 | <p>Any Other Business</p> <ul style="list-style-type: none"> • No matters raised | |
| <p>DATE OF NEXT MEETING: Tuesday, 25 January 2022 from 14:00-16:00 via Teams</p> | | |

| Actions arising from the meeting held on 12 October 2021 | | | |
|--|----------------|--|-----------------|
| Item | Responsibility | Description | Status |
| 3.2 | DB | To amend the typographical error highlighted on page 5, paragraph 11 of the Audit Wales Management Report, agenda item 3.2; CPPS updated to GMS. Paper recirculated on 13 October 2022. | Complete |
| 4.2 | PS/CW | To obtain and provide an up to date position of Employment Services' Audit Tracker Recommendations. | Complete |
| 6.5 | CW | To provide the Committee Chair with clarity on the contracting activity of item 29- <i>Management of Car Park Enforcement Services at Glangwili Hospital, Carmarthen and Prince Philip Hospital, Llanelli</i> , detailed in appendix B of the Governance Report. | Complete |

| | |
|--|--|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| AGENDA ITEM | 2.1 |
| PREPARED BY | Peter Stephenson, Head of Finance and Business Development |
| PRESENTED BY | Neil Frow, Managing Director |
| RESPONSIBLE HEAD OF SERVICE | Neil Frow, Managing Director |
| TITLE OF REPORT | NWSSP Update |

PURPOSE

To update the Committee on recent developments within NWSSP.

1. 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.

COVID-19

Following the outbreak of the Omicron variant, the Planning and Response Group has been re-established with effect from December and is meeting on a twice-weekly basis. The Group comprises the Senior Leadership Group plus Trade Union, Surgical Materials Testing Laboratory and Communications representatives.

The focus of the Group has been on prioritising activities that support the rest of NHS Wales in the continued response to the pandemic. Plans are in place to strengthen the resilience of NWSSP functions and activities and to ensure business continuity, with a particular focus on the supply of drivers. Although sickness rates are starting to creep up, with pockets of Covid-related absence, the general rates of sickness absence are still very low in comparison to the rest of NHS Wales.

Substantial work is being undertaken within the Supply Chain and Health Courier Services to support the Reset and Recovery work being undertaken by Health Boards and in particular to facilitate the vaccination booster programme.

The previous temporary increased authorisation limit for PPE expenditure of £5m has been reinstated to ensure procurements can take place promptly, following approval by the Velindre Trust Board prior to Christmas. This will be reviewed again at the end of June 2022.

Financial Position

A review of service forecast outturn positions has been undertaken and this has shown that delays to appointing to vacancies as well as an increase in income primarily within Legal & Risk Services has increased the underlying underspend. We have agreed £2m of non-recurrent re-investments within NWSSP to accelerate benefits and efficiencies and we have confirmed an additional £1.25m distribution to NHS Wales and Welsh Government in 2021/22 as approved in September. We will continue to review the financial position over the coming months to ensure we meet our forecast break-even financial outturn.

In terms of the Welsh Risk Pool, the DEL expenditure to M9 is £69.1m, compared to £81.1m at this point last financial year. The M9 DEL forecast of £123m remains in line with the original IMTP forecast of £123.5m indicating we are on target to fully utilise the total Welsh Government resource available by the end of the financial year.

Operational Performance

Significant pressures have been experienced within our Employment Services Directorate for several months in supporting Health Boards in responding to, and recovering from, the pandemic. The tables below demonstrate how activity has increased over recent years:

Table 1: Employment Services Recruitment Activity and Time to Hire 2012/13 – 2021/22

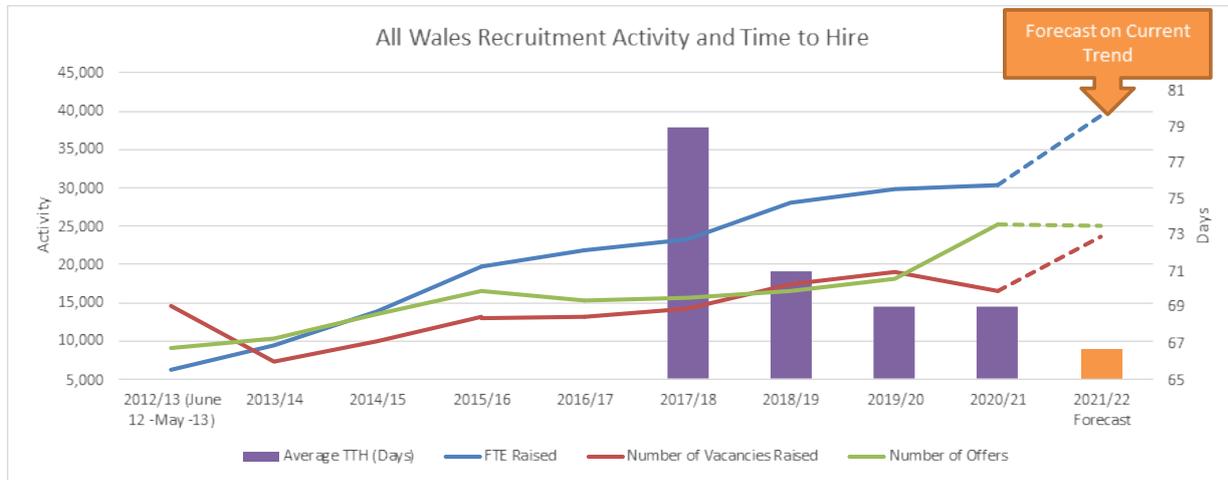
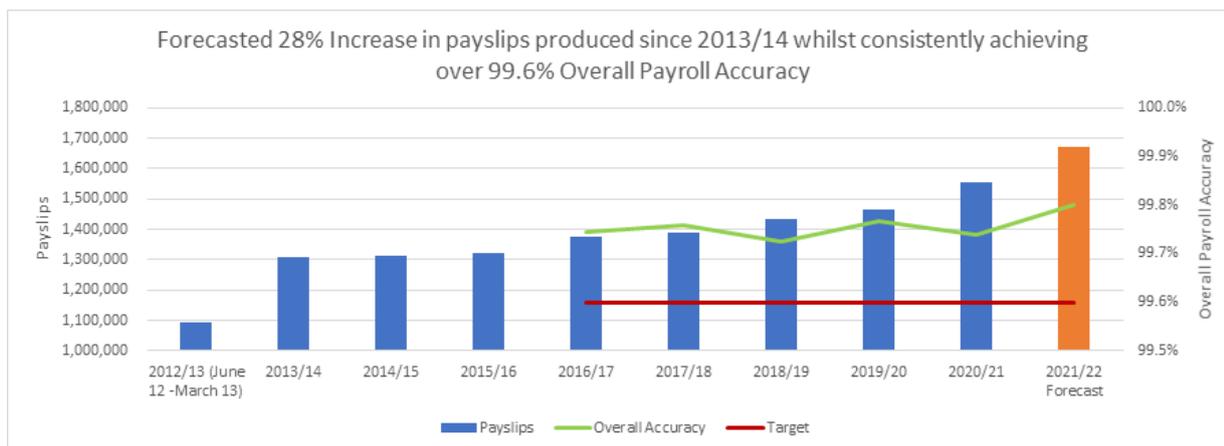


Table 2: Employment Services Payroll Activity 2012/13 – 2021/22



The current position is as follows:

Recruitment Division

The unprecedented levels of demand are continuing, which has meant in some instances compliance with KPI measures has been missed. However:

- While only 51.3% of adverts were advertised in December within the two-day target, 47.3% were published within three days, just one day outside of the target; and
- Although in December only 18% of conditional offer letters were issued within the four-day target, 20.3% were issued within five days and 57.6% within six days, just two days over target.
- During 2021 the Streamlining Programme allocated 1,169 Nurses, 381 AHPs, 45 Physician Associates and 103 Midwives, equating to a 99% success rate, significantly reducing the multiple applications previously seen in the system.

Additional staff are being recruited to support the increases in activity, and a deep dive review of processes undertaken, coupled with implementing new robotics processes and Trac system enhancements. Digital Identity checking systems are being reviewed with the aim to be implemented in April, facilitating continuance of virtual pre-employment checks. NHS Jobs 3 will be implemented across NHS Wales by the end of March, removing some processing activity and speeding up time-to-hire.

Although future demand is uncertain it is unlikely to decrease and the increase in staffing, and the commencement of the Divisions Modernisation and Responsiveness Programme in early 2022 covering the initiatives stated above will have a positive impact on performance.

Payroll

Performance remains in line with KPIs, however call handling has been problematic due to increases in call activity resulting from additional payments being processed. As an example, 360,000 additional Covid bonus and Working Time Directive payments were processed towards the end of 2021. The processing of the Supplementary Pay Award, and schemes to sell surplus annual leave will result in further significant additional transactional volumes. Changes within the contact centre telephony software in January should, however, have a positive impact.

In the coming weeks a significant modernisation programme based around new technology and further movement to a 'Once for Wales' payroll model will be implemented.

Student Awards Service

The backlog of applications experienced in the autumn have been addressed and systems improved, and staff trained to address the issues that caused the processing delays. During 2022 a tender process for a new Student Awards System will commence with implementation in 2023 which will transform the way in which the divisions work with all its stakeholders.

Welsh Infected Blood Support Scheme

No recent requests have been received from the Infected Blood Public Inquiry team, with the Inquiry hearing expected to resume on 17 January 2022. NWSSP have promoted, with WIBSS beneficiaries, the Blood Compensation Framework Study being carried out by Sir Robert Francis QSC. This study is separate from the Infected Blood Inquiry, although it is anticipated Sir Robert will attend a future hearing about his recommendations.

We have also acted upon some of the suggestions made during the WIBSS evidence session, namely, to refresh and update our staff guidance document, to clarify the small grants claim process and to improve the access to information on the WIBSS website.

TRaMS/Laundry

In the case of both the TRaMS and Laundry projects, the initial indications from the programme teams developing the more detailed outline business cases suggest that the capital costs are much higher than was originally forecast in the relative programme business cases. As a result the teams are working with consultants to identify where savings may be made to reduce the costs of these projects.

PPE

We continue to work with the PPE Executive Lead Group to take forward the procurement of further PPE to support front-line staff. The PPE Executive is chaired by the NWSSP Director of Finance & Corporate Services and includes representatives from, Welsh Government, all Health Boards and Trusts and senior Procurement staff. We reinstated the PPE group in December 2021 as a result of the Omicron variant to ensure consistent and prompt communication between organisations and provides all members with an understanding of the relevant challenges and issues, and that everyone is aware of the latest advice and guidance. Meetings have also been undertaken with the Chief Medical Officer and Chief Nursing Officer to investigate the procurement of further supplies of face masks.

Overseas Recruitment

Contracts have been let to undertake a co-ordinated recruitment campaign for nursing staff internationally. This should benefit Health Boards in filling staff vacancies as they respond to the pandemic and the recruitment is being undertaken via specialist agencies and in countries where there is already a surplus of nursing

staff. The contractual arrangements and funding have been approved by Welsh Government and should result in well over 400 nurses being recruited.

Foundational Economy

In the three months from the end of August 2021 the NWSSP Procurement Team has almost doubled the number of contracts with Welsh suppliers, with additional contracts with a total value of £19M to the Foundational Economy in Wales. A number of additional staff are in the process of being recruited to support this initiative, including analysis of data to improve the visibility of our pipeline through introducing monthly reporting requirements from across the frontline and sourcing teams. Working with our commercial legal team a mandatory 15% weighting for social value is being successfully applied to the routine procurement assessment process across all organisations, resulting in improved Foundational Economy expenditure and outcomes.

Salary Sacrifice – Decarbonisation

NWSSP administer the lease car salary sacrifice scheme for most Health Boards and Trusts in Wales. Currently there are 2500 cars in the scheme, a significant proportion of which are either fully electric or Hybrid cars. In response to requests from staff who are unable to charge cars (e.g. do not have driveways) we are now offering two self-charging hybrid models. The team are facing unprecedented applications for cars with currently 445 vehicles on order, the very significant majority of which are fully electric or hybrid.

System Updates

There are a number of systems that are either currently going live or will do shortly:

- The Oracle upgrade was carried out as planned and the system went live on 19 October, with all milestones achieved;
- The system for payments to GPs to replace the NHAIS system is due to go-live on 1 April;
- The first phase of the Legal and Risk Case Management System is currently being implemented; and
- The CLERIC system, used by Health Courier Service drivers, is due to go-live in February after the award of the new contract in December 2021.

Staff Awards

The NWSSP Staff Recognition event will take place virtually on the evening of the 26th of January. There has been a high level of good quality nominations and the event provides an opportunity to celebrate the efforts of NWSSP staff in what has been another very challenging year.

Senior Appointments

Margaret Foster retired as the NWSSP Chair at the end of November having held the post for nine years and overseeing a substantial growth in the size, range, and complexity of the services provided by NWSSP. Professor Tracy Myhill commenced

as the new NWSSP Chair with effect from 1 December. Tracy was appointed following a very robust recruitment process that attracted some excellent candidates. Tracy is an accomplished senior leader with over 35 years of experience across the public sector and not-for-profit settings and has significant experience in Chair, Non-Executive Director, National HR Director, Chief Executive and Executive Director roles.

Following a review of IT resources and provision across NWSSP, we have created a post of Chief Digital Officer, reporting to the Director of Planning, Performance, and Informatics. This new role will allow better co-ordination of IT resource across NWSSP and will directly facilitate and support desired objectives in taking the digital agenda forward. The role is to be filled, initially on a secondment basis, by Neil Jenkins, who is currently employed in the Primary Care Services Directorate.

2. RECOMMENDATION

- The Audit Committee are asked to **NOTE** the update from the Managing Director

Audit Committee Update - NHS Wales Shared Services Partnership

Date issued: January 2022

This document has been prepared for the internal use of **NHS Wales Shared Services Partnership (NWSSP)** as part of work performed/to be performed in accordance with statutory functions.

The Auditor General has a wide range of audit and related functions, including auditing the accounts of Welsh NHS bodies, and reporting on the economy, efficiency and effectiveness with which those organisations have used their resources. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

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Audit Committee Update

About this document

- 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 planned programme of NHS related studies and publications together with the work of our Good Practice Exchange (GPX).

Audit progress update

- 2 Details of our planned work and associated audit assurance arrangements for 2022 are set out in a separate paper that has been issued to this Audit Committee. It is likely that the majority of this audit work will occur during February and March to enable us to be in a position to provide the necessary assurances and conclusions of this work to the various NHS Wales audit teams during April.
- 3 A summary of the conclusions of this work, together with any related recommendations, will be reported within our Management Letter which we intend to bring to your June 2022 Audit Committee meeting. This report will also include any issues relating to NWSSP identified by other Welsh health auditors.

Good Practice events and products

- 4 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.
- 5 Past materials are available via the [GPX webpages](#), along with details of future events.
- 6 In response to the Covid-19 pandemic, we have established a **Covid-19 Learning Project** to support public sector efforts by sharing learning through the pandemic. This is not an audit project; it is intended to help prompt some thinking, and hopefully support the exchange of practice. We have produced a number of outputs as part of the project which are relevant to the NHS, the details of which are available [here](#).

NHS-related national studies and related products

- 7 The Audit Committee may also be interested in the Auditor General's wider programme of work and outputs and for latest news and updates you can [subscribe to our newsletter](#).
- 8 Much of this work has a focus on the NHS and pan-public-sector topics. These studies are typically funded through the Welsh Consolidated Fund and are

presented to the Public Accounts Committee to support its scrutiny of public expenditure. **Exhibit 1** provides information on the NHS-related or relevant national studies published in the last twelve months. It also includes all-Wales summaries of work undertaken locally in the NHS.

Exhibit 1 – NHS-related or relevant studies and all-Wales summary reports

| Title | Publication Date |
|---|------------------|
| <u>Taking Care of the Carers?</u> | October 2021 |
| <u>A Picture of Healthcare</u> | October 2021 |
| <u>Infographic on the NHS (Wales) summarised accounts for 2020-21</u> | September 2021 |
| <u>Picture of Public Services 2021</u> | September 2021 |
| <u>NHS Wales Finances Data Tool - up to March 2021</u> | June 2021 |
| <u>Rollout of the COVID-19 vaccination programme in Wales</u> | June 2021 |
| <u>Welsh Health Specialised Services Committee Governance Arrangements</u> | May 2021 |
| <u>Procuring and Supplying PPE for the COVID-19 Pandemic</u> | April 2021 |
| <u>Test, Trace, Protect in Wales: An Overview of Progress to Date</u> | March 2021 |
| Public bodies' digital resilience – cyber security (Due to the sensitivity of content, this report is not available publicly, but is available to health bodies) | January 2021 |

| Title | Publication Date |
|--|------------------|
| <u>NHS structured assessment – Doing it Differently, Doing it Right?</u> | January 2021 |

9 **Exhibit 2** provides a summary of NHS-related or relevant national studies work that is in progress together with indicative publication dates.

Exhibit 2 – NHS-related or relevant studies and all-Wales summary work currently in progress

| Title | Indicative publication date |
|--|-----------------------------|
| Orthopaedic services | 2022 |
| Unscheduled care – a whole system view | 2022 |
| NHS waiting times tool | 2022 |
| Care homes commissioning | 2022 |
| Recovery planning | 2022 |



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

Date issued: December 2021

Velindre Audit Committee – update on the 2021-22 approach to the audit of Inventories

Introduction

- 1 Circumstances relating to the Covid-19 pandemic prevented us from obtaining the necessary assurance on the Trust's Inventory balance as at 31 March 2021 of £95.564 million. As this balance was material to the financial statements, this absence of audit assurance resulted in a Limitation of Scope qualification on the 2020-21 financial statements.
- 2 This paper sets out our broad approach to obtain the appropriate audit evidence and assurance on the Trust's Inventory balance for 2021-22 in accordance with the requirements of IAS501.
- 3 Our overall objective is to put in place an approach which obtains the evidence and assurance needed, by working with the Trust throughout the audit in a dynamic and flexible way, to reduce any risks which may prevent us from gaining our assurance as much as we can, whilst acknowledging risk cannot be removed completely.

Expected 2021-22 inventory balance

- 4 Based on the paper presented to officers at the October 2021 Audit Committee and subsequent updates from management, we are again expecting the Trust's Inventory balance to be material. This is mainly as a result of the significant PPE stock balances held by Shared Services at its various stores locations across Wales.
- 5 Although our 2021-22 materiality is not yet finalised – our 2020-21 materiality level was £8.5 million – it's certain that the Inventory balance will again be material as at 31 March 2022.

Our planned approach for 2021-22

Assurance over the closing stock balance

- 6 Per the requirements of ISA501 we are required to attend physical stock counts where the stock balance is material in order to obtain appropriate audit evidence upon the existence and condition of the stock.

- 7 In addition to reviewing the latest information provided to the Audit Committee in October we have held a number of meetings with Internal Audit (who are in the process of undertaking their own review of the stores systems) and with officers and management of the Trust and Shared Services. These discussions have helped shape our approach and we are grateful for the input of all concerned.
- 8 We have identified the following stores as those likely to have material stock balances as at 31 March 2022:
- Newport IP5;
 - External – South West; and
 - External – South East.
- 9 The total of the remaining non-material stock balances will, in aggregate, be material and so we will need to obtain assurance over the Trust's stock arrangements for some of this remaining balance and will review a sample from this sub-balance.
- 10 Overall, based on current information, there are 7 stores locations for which we will need to obtain assurance on the Trust's stock counting arrangements (including Welsh Blood Services). However our risk assessment remains live and may identify other stock balances which we will need assurance over.
- 11 The stock counting arrangements for each of Trust's stores locations vary – for example, for some the stock is counted on a daily perpetual count basis, others are subject to monthly counts and only one stock balance is counted at the year-end. We will undertake visits to each of the stores facilities subject to our review. The exact nature of our work will vary in accordance with the type of stock counting arrangement in place at each facility, but we must comply with ISA501 which requires us to:
- Document, understand and evaluate the stock counting arrangements for each of the stores facilities on which we need require assurance; and
 - attend those stores facilities, to observe and review the stock counting controls, perform test counts and inspect stock.
- 12 Ideally stock counts would take place at year-end, or as close to year-end as possible. Where the stock counts do not take place at year-end, we will need to undertake additional testing to provide assurance on the year-end balance, including obtaining assurance on the movements between the date of the stock count and the year-end position. Where stock counts are undertaken on a perpetual daily basis, we will attend a number of counts through the year.
- 13 If on the basis of the Trust's or our own risk assessment, we again find ourselves in a position where we are unable to attend planned stock counts at or prior to the year end, we will endeavour to attend after the year-end and undertake additional work as set out in paragraph 12 above. Note however, that where any of our risk assessments conclude that we should not make a visit, we will firstly work with the

Trust to look at possible actions which could reduce risk sufficiently to enable a visit.

- 14 Alternative procedures of evidencing physical stock counts virtually via live streaming should be considered a last resort and in our view is unlikely to be practicable, nor able give us the assurance we need on the procedures set out above at paragraph 11.

Impact of the previous year's qualification

- 15 We need to consider the impact of not obtaining the required assurance on the Trust's closing 2020-21 Inventory balances on this year's audit. The audit opinion does not cover corresponding balances in the financial statements, so we do not need to gain assurance on the opening balance itself. However we do need to obtain sufficient assurance that the cost of stock items charged to the Statement of Comprehensive Income in the year is not materially misstated. We are considering our approach to this, which may include testing of transactions, controls, or a combination of both.

Next steps

- 16 We intend to commence our visits to the stores locations during January 2022 and, if necessary, will continue our audit work here through to May 2022.
- 17 In advance of our visits we will need:
- a satisfactory Audit Wales risk assessment for each stores facility to be visited;
 - confirmation from both the Trust and Shared Services that they remain comfortable with our attendance at stores facilities; and
 - no significant changes to Welsh Government guidance preventing our attendance.
- 18 Although we cannot rely on any Internal Audit stock take visits (we must undertake stock take visits ourselves), we will consider the conclusions of their work and assess their findings, including any matters arising, and use this work more broadly in assessing risks and risk levels for our work.
- 19 We will keep the Trust, Shared Services and the Audit Committee informed of how this work progresses and will be working closely with officers as we progress through our work.

2022 Audit Assurance Arrangements NHS Wales Shared Services Partnership

Audit year: 2021-22

Date issued: January 2022

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

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

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

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Summary

- 1 The purpose of this paper is to set out the 2021-22 audit assurance arrangements for external audit in line with the requirements of International Standards of Auditing (UK and Ireland) (ISAs) relevant to services provided by the NHS Wales Shared Services Partnership (NWSSP).
- 2 External audit assurance arrangements need to consider:
 - ISA 315 – identifying and assessing the risks of material misstatement through understanding the entity and its environment;
 - ISA 402 – audit considerations relating to an entity using a service organisation;
 - ISA 500 – audit evidence (relevant to a management expert); and
 - ISA 610 – using the work of internal auditors.
- 3 This paper sets out my proposed work, when it will be undertaken and who will undertake it.

External audit assurance arrangements

- 4 The Velindre University NHS Trust's external audit team and the Audit Wales IM&T auditors are responsible for co-ordinating and completing the audit work necessary to provide the assurances required by the local audit teams of each of the various NHS audited bodies across Wales. Local audit teams decide the areas of work required on the services provided by NWSSP, relevant to their responsibilities for providing an opinion on the related health bodies financial statements. They consider whether testing of the key controls within the system, or substantive testing of the figures produced by the system, provides the required assurance in the most efficient way.
- 5 Whilst we remain in consultation with the local audit teams to finalise the required programme of work at NWSSP, the expected work programme for 2021-22 is set out in [Exhibit 1](#). Further information upon the areas subject to our review, together with a brief description of the audit procedures and proposed dates for the audit visits are detailed in [Appendix 1](#).

Exhibit 1: audit assurance arrangements

The table below sets out the content of the audit assurance work programme for 2022

| NWSSP managed service | Audit assurance requirements |
|---|--|
| Understanding the entity and its environment (ISA 315) | |
| <ul style="list-style-type: none"> • Prescription Pricing System • National Health Application and Infrastructure Services (NHAIS) • Oracle Financial Management System (including OCR invoice scanning) • Oracle ESR Payroll systems administration (user access to payroll elements only) | <ul style="list-style-type: none"> • Review, document and evaluate the IM&T environment and application controls. |
| Service organisation (ISA 402) | |
| <ul style="list-style-type: none"> • Primary Care Services (general medical and general pharmaceutical services) • Employment Services – payroll system • Procurement Services – accounts payables system | <ul style="list-style-type: none"> • To document the financial systems, identify key controls and evaluate the system. • Controls or substantive testing, as determined by local audit teams. |
| Management expert (ISA 500) | |
| <ul style="list-style-type: none"> • Legal and Risk Services | <ul style="list-style-type: none"> • Document an understanding of the services provided. • Evaluate the competence, capability and objectivity of the service provider. • Evaluate the appropriateness of the work (as relevant to the work of the local audit teams). |
| Internal audit (ISA 610) | |
| <ul style="list-style-type: none"> • All-Wales 'management arrangements' • Internal audit services provided to individual NHS bodies | <ul style="list-style-type: none"> • Assessment of compliance with internal audit standards (applicable to overall management of internal audit services across NHS Wales) – which will include regular liaison with the Director of Audit and Assurance. • Local audit teams may also need to assess compliance with standards relevant to internal audit work at each individual NHS body. |

- 6 The NWSSP manage a number of national NHS IT applications that are used by other NHS organisations in Wales. Audit Wales IM&T auditors will review the IM&T infrastructure and application controls that are applied to the following IT systems for the purposes of providing assurances for NHS audit opinions to local audit teams:
- Prescription Pricing System which is used to process prescriptions and calculate reimbursement for pharmacy contractor payments;
 - National Health Application and Infrastructure Services (NHAIS) or Exeter, used for NHS demographics and calculating primary care General Medical Services (GMS) contractor payments;
 - Oracle Financial Management System (FMS), including OCR invoice scanning, used by all of NHS Wales as the main accounting system for managing and producing the NHS accounts; and
 - System administration functions for the payroll elements of the Electronic Staff Record (ESR) payroll system.
- 7 IM&T auditors will undertake a programme of work to understand the IT environment and the IT controls, including testing of IT controls. In addition to the above IT systems, this programme will also include work undertaken centrally at Digital Health and Care Wales (DHCW) on the IT applications and infrastructure provided which are also used by other NHS organisations in Wales.
- 8 In addition, Health Board auditors have requested that we review all contracts greater than £1 million to ensure that appropriate approval has been sought from Welsh Government.
- 9 Local audit teams may determine that additional assurances are required, from other service areas of the NWSSP, during the course of the audit. If such work arises, we will discuss this with the NWSSP management and update the Audit Committee for Shared Services accordingly.

Fee, audit team and timetable

Fee

- 10 This work is being undertaken in order to provide local audit teams with assurances relevant to their responsibilities. There is therefore no associated audit fee for NWSSP and instead the cost of this work will be included in the various individual audit fees of the NHS bodies across Wales.

Audit team

- 11 The main members of my local audit team, together with their contact details, are summarised in [Exhibit 2](#).

Exhibit 2: my local audit team

The table below provides details of my local audit team

| Name | Role | Contact number | E-mail address |
|----------------|--|----------------|--|
| Clare James | Engagement Lead – Financial Audit | 02920 829330 | clare.james@audit.wales |
| Steve Wyndham | Financial Audit Manager | 02920 320664 | steve.wyndham@audit.wales |
| David Burridge | Financial Audit Lead | 02922 677839 | david.burridge@audit.wales |
| Andrew Strong | Information Management & Technology Audit Lead | 02920 320587 | andrew.strong@audit.wales |

Timetable

- 12 Following the completion of the above work, the Velindre University NHS Trust external audit team will issue the following reports that provide:
- appropriate assurances to the external auditors of the various NHS Wales bodies, or highlighting any areas of concern that need to be addressed, to support their work to inform their opinion on the financial statements; and
 - a summary of the work undertaken, together with any matters arising that need to be considered by the NWSSP management. This report will also include any issues relating to NWSSP identified by other Welsh health auditors.
- 13 The assurance reports provided to local audit teams will be reported to the health board or trust's audit committee, where appropriate, as part of the audit of their financial statements. The report to the NWSSP management will be reported to the Velindre University NHS Trust's Audit Committee for Shared Services, and shared with other audit committees, where matters arising affect their local responsibilities. My key milestones for reporting to NWSSP are set out in [Exhibit 3](#).

Exhibit 3: timetable

The table below sets out the key milestones for delivering my proposed areas of work

| Planned output | Work undertaken | Report finalised |
|-----------------------------------|----------------------|------------------|
| Audit assurance arrangements plan | January 2022 | January 2022 |
| Nationally Hosted NHS IT systems | January - April 2022 | June 2022 |
| Management letter | February - June 2022 | July 2022 |

Appendix 1

Audit areas and proposed timing

Exhibit 4: audit areas and proposed timing

| Audit areas | Proposed audit timing | Audit work |
|--|-----------------------|---|
| Internal audit | February 2022 | Review Internal Audits' compliance with Public Sector Internal Audit Standards (PSIAS). Review their annual audit plan and status of their audits. |
| Payroll | February - April 2022 | Update our understanding of the payroll system and identify key controls. Controls testing of exception reports. |
| General Medical Service South East Wales | February - March 2022 | Update our understanding of the general medical service system and identify key controls. Controls testing of global sum payments (capitation lists and patient rates). |
| General Medical Services West Wales | February - March 2022 | Update our understanding of the general medical service system and identify key controls. Controls testing of global sum payments (capitation lists and patient rates). |
| Pharmacy & Prescribed drugs | February - March 2022 | Update our understanding of the pharmacy contract and prescribed drugs. Controls testing of payments to pharmacists (checks undertaken by the Professional Services Team and drug tariff rates). |
| Accounts Payable & Public Sector Payment Policy | February 2022 | Update our understanding of the accounts payable system and undertake any substantive or controls testing as determined by local audit teams. Review the process of how PSCP works in NWSSP. |
| Procurement | April 2022 | Review of contracts awarded with a value greater than £1 million. |
| Welsh Health Legal | February - March 2022 | Assess the competence, capability and objectivity of NWSSP LARS staff (as required by ISA 500). Update our understanding of the systems used to record legal cases, the assumptions and methods used to populate Quantum reports. Test a sample of clinical negligence cases, reviewing the information collated on the Legal and Risk management system. |
| Nationally Hosted NHS IT systems – IT audit work | January - April 2022 | Review our understanding of the general IT controls and identify key controls. Review, document and evaluate the IM&T environment and application controls. Test, by walkthrough, a sample of IT controls. |



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NHS WALES SHARED SERVICES PARTNERSHIP

Audit Committee

January 2022

**Audit & Assurance Services
Internal Audit Progress Report**



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Shared Services
Partnership



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- 2.** Delivery of the Internal Audit Plan 2021/22
- 3.** Outcomes from Finalised Audits
- 4.** Planning Update
- 5.** Engagement

Appendix A - Assignment Status Schedule

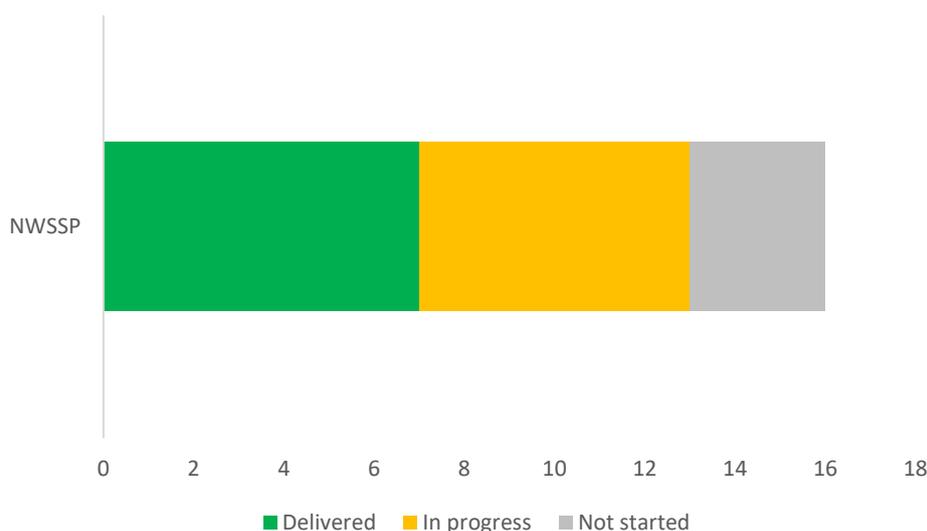
1. Introduction

The purpose of this report is to:

- Highlight the progress of the 2021/22 Internal Audit Plan to the Audit Committee: and
- Provide an overview of other activity undertaken since the previous meeting.

2. Progress against the 2021/22 Internal Audit Plan

There are 16 reviews in the 2021/22 Internal Audit Plan, and overall progress is shown below.



3. Outcomes from Finalised Audits

Four Internal Audit Reports, from the 2021/22 plan have been finalised since the previous meeting of the committee and are highlighted in the table below along with the allocated assurance ratings. The full versions of these reports are included on the agenda as separate items.

| ASSIGNMENT | ASSURANCE RATING | |
|-------------------------|------------------|--|
| IM&T Infrastructure | Limited | |
| Stores | Reasonable | |
| Salary Sacrifice Scheme | Substantial | |

| | | |
|---|-------------|---|
| Wales Infected Blood Support Scheme (WIBSS) | Substantial |  |
|---|-------------|---|

4. Planning Update

Work to progress the delivery of the Internal Audit Plan for 2021/22 has commenced, with a schedule of audits planned for each Audit Committee meeting prepared for the year ahead. The assignment status schedule at Appendix A sets out the planned audit work for the year along with current progress.

In addition to the finalised audits, a further six audits are currently in progress, including Legal & Risk Directorate, Medical Examiner Service, and the main transactional systems. Discussion are ongoing with Procurement Services to work through the impact of operational pressures on the current audit work.

The planned audit work on Decarbonisation has been deferred in line with work across NHS Wales and is being replaced with an advisory review of governance arrangements for major projects.

Initial planning work for the 2022/23 has commenced, with a view of the plan being presented to the April Committee for approval.

5. Other Internal Audit Activity & Engagement

Ongoing liaison and planning meetings have continued to take place in this period including with the Director of Finance and Head of Finance & Business Development and Audit Wales. In addition, meetings with Directors and senior managers have taken place as part of the individual audits being delivered.

6. Recommendation

The Audit Committee is invited to note the progress with the delivery and update of the Internal Audit Plan.

Appendix A: Progress against 2021/22 Internal Audit Plan

| Review | Status | Rating | Key matters arising | Anticipated Audit Committee ¹ |
|--|--------------|-------------|-------------------------------|--|
| Primary Care Payment Systems | wip | | | April/June |
| Payroll | wip | | | April/June |
| Procure to Pay (P2P) | wip | | | April/June |
| Front Line procurement | wip | | | April |
| Medical Examiner Service | wip | | | April |
| Laundry Service | FINAL | Reasonable | 6 Medium and 3 Low Priority. | October 21 |
| Student Awards Follow up | FINAL | Reasonable | 3 Medium Priority. | October 21 |
| Corporate Governance | | | | April |
| Legal & Risk Services Directorate | wip | | | April |
| Stores | Final | Reasonable | 3 Medium Priority. | January 22 |
| Salary Sacrifice | Final | Substantial | 2 Low Priority. | January 22 |
| Welsh Infected Blood Scheme (WIBSS) | Final | Substantial | 1 Medium Priority. | January 22 |
| IM&T (Infrastructure) | Final | Limited | 2 High and 7 Medium Priority. | January 22 |
| Capital Project Governance Advisory | planning | | | |
| Single Lead Employer | FINAL | n/a | Advisory Review | June 21 |
| Agile Working(advisory) | | | | --- |

¹ May be subject to change



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Wales Infected Blood Support Scheme

Final Internal Audit Report

January 2022

NHS Wales Shared Services Partnership

Audit and Assurance Services

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| | |
|-------------------------------|---|
| Review reference: | NWSSP-2122-05 |
| Report status: | Final |
| Fieldwork commencement: | 21 October 2021 |
| Fieldwork completion: | 5 January 2022 |
| Draft report issued: | 10 January 2022 |
| Debrief meeting: | 12 January 2022 |
| Management response received: | 12 January 2022 |
| Final report issued: | 13 January 2022 |
| Auditors: | Ceri Corcoran, Principal Auditor Sophie Corbett, Deputy Head of Internal Audit |
| Executive sign-off: | Alison Ramsey, Director of Planning, Performance and Informatics |
| Distribution: | Mary Swiffen-Walker, WIBSS Service Manager |
| 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 Institute of Internal Auditors

Acknowledgement

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

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Executive Summary

Purpose

The overall objective of this audit was to review the arrangements in place for the administration and management of the Wales Infected Blood Support Scheme (WIBSS).

Overview

The overall assurance rating has improved from the 2018/19 review as previous issues identified have been addressed to improve the design and operation of key controls.

One medium priority matter arising has been identified relating to the need to update the Staff Procedure Guide. Further details are provided in Appendix A.

Report Classification

| | | |
|---|---|--|
| | | Trend |
|  | Few matters require attention and are compliance or advisory in nature. |  2018/19 |
| | Low impact on residual risk exposure. | Reasonable |

Assurance summary¹

| Assurance objectives | Assurance |
|---|-------------|
| 1 Policies and Procedures are in place setting out how the scheme will be administered | Reasonable |
| 2 New applications are appropriately assessed and authorised | Substantial |
| 3 The ongoing eligibility of scheme members is periodically verified | Substantial |
| 4 Payments to members are accurate, timely and appropriately authorised in line with the Scheme of Delegation | Substantial |
| 5 Recommendations arising from the previous audit (NWSSP-1819-04) have been addressed | Substantial |

Matters Arising

| | Objective(s) | Control Design or Operation | Recommendation Priority |
|---|-------------------------|-----------------------------|-------------------------|
| 1 | Policies and Procedures | 1 | Design Medium |

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

1. Introduction

- 1.1 A review of the arrangements in place for the administration and management of the Wales Infected Blood Support Scheme (WIBSS) within the NHS Wales Shared Services Partnership (NWSSP) was completed in line with the 2021/22 Internal Audit Plan. The relevant Executive Director lead for the assignment is the Director of Planning, Performance and Informatics.
- 1.2 WIBSS was established in October 2017 following a Welsh Government consultation to provide financial, welfare and emotional support to people affected by HIV and/or hepatitis C following NHS treatment with infected blood products in the 1980s and 1990s.
- 1.3 Support was previously provided through five infection-specific charitable trusts across the UK. However, each trust made different discretionary payments using their own varying criteria which resulted in these support systems becoming complex and criticised by those it was intended to help.
- 1.4 On the 25 March 2021 the UK Treasury announced that it would fund a number of changes to achieve parity across the four UK schemes, with funding backdated to April 2019.
- 1.5 The following risks were considered during this audit:
 - payments to scheme members are not accurate or timely, potentially resulting in reputational damage and/or financial loss;
 - breach of scheme member's confidentiality; and
 - potential for fraud.

2. Detailed Audit Findings

Objective 1: Policies and procedures are in place setting out how the scheme will be administered

- 2.1 A Staff Procedure Guide was developed when WIBSS was established in 2017. It is fundamentally based on the Welsh Government Directions and supplemented by the more comprehensive Scottish Government Directions where appropriate. The previous internal audit in 2019 identified opportunity to enhance the Guide, including:
 - identifying the officers responsible for scrutinising and approving application forms;
 - defining the procedure for doing this; and
 - clarifying the processes for calculating backdated payments and recovering duplicate payments.
- 2.2 We reviewed version 1.7 (October 2021) of the Guide and confirmed that points 1 and 2 above have been addressed, however there is no reference to the processes

for calculating backdated payments or recovering duplicate payments. The Guide was in the process of being updated at the time of audit fieldwork to reflect the new parity payment arrangements and is due to be presented at the March 2022 WIBSS Governance Group for final ratification.

[See Matter Arising 1 in Appendix A]

Conclusion:

- 2.3 Guidance is in place to support staff in the operation of the service and some of the gaps previously identified have been addressed. The document was in the process of being updated to reflect parity payments at the time of audit. Consequently, we have concluded **Reasonable** assurance for this objective.

Objective 2: New applications are appropriately assessed and authorised

- 2.4 The process for new applications is set out within section 2 of the Guide. Applications are assessed by the WIBSS Management Accountant or Service Manager and approved by the Director of Planning, Performance and Informatics.
- 2.5 We reviewed all seven new applications to join the scheme during 2021/22 to establish whether they had been processed in line with the Guide. The three successful applications had been approved by the Service Manager and Director of Planning, Performance & Informatics.
- 2.6 The GMC registration of the medical professional endorsing the application had been verified as recommended in the 2018/19 internal audit. For the three successful applications, checks had also been undertaken with the custodians of the legacy scheme databases to confirm that the applicants were not members of or received payments from any other equivalent UK scheme. All had been accurately recorded on Oracle and initial payments calculated and processed at the correct rate.

Conclusion:

- 2.7 Applications reviewed had been processed in accordance with the Guide, with sufficient supporting documentation and endorsement from a GMC registered healthcare professional. The presence of rejected applications also suggests that they are subject to appropriate scrutiny. Consequently, we have concluded **Substantial** assurance for this objective.

Objective 3: The ongoing eligibility of scheme members is periodically verified

- 2.8 Eligibility for the scheme only ceases on the death of a beneficiary, usually notified to the scheme by a relative. Eligibility checks are undertaken periodically via the Welsh Demographic Service (WDS) and if a beneficiary can't be traced, they are contacted in writing to verify that details held by WIBSS are up to date. We were advised that checks should be undertaken quarterly however only five checks have been completed between April 2019 – October 2021.

- 2.9 As the eligibility exercise relies on the WDS it only applies to beneficiaries residing in Wales and there is currently no means of verifying ongoing eligibility for beneficiaries residing outside of Wales, other than contacting the beneficiary directly. There are currently 34 (of 230) beneficiaries residing outside of Wales. This risk was raised in the 2018/19 internal audit following which the Service Manager has explored options including access to the National Demographic Service database which was declined. The feasibility of a reciprocal arrangement with other UK schemes is now being explored and has been escalated to Welsh Government for discussion at the '4 Nations' meetings.
- 2.10 The most recent eligibility checks undertaken in October 2021 identified 29 beneficiaries not traced on the WDS, nine of whom are Welsh residents. The 29 outstanding members were contacted by the WIBSS Support Officer during audit fieldwork with only one outstanding response at the time of reporting.

Conclusion:

- 2.11 Noting the above, we have concluded **Substantial** assurance for this objective.

Objective 4: Payments to members are accurate, timely and appropriately authorised in line with the scheme of delegation

Payment Processing & Reconciliation

- 2.12 Payments are processed monthly via dataloads prepared by the Management Accountant based on the WIBSS finance spreadsheet, which uses a series of formulas to calculate the monthly payment due to each beneficiary. Whilst we did not seek to verify individual payments to beneficiaries, the Management Accountant demonstrated that the formulas are based on the correct rates as stipulated by Welsh Government.
- 2.13 The dataload is subject to detailed review by the Service Manager and approved by the Director of Finance & Corporate Services or Managing Director in line with the Scheme of Delegation before processing by Accounts Payable.
- 2.14 We reviewed a sample of 20 dataloads for the period April – October 2021 and confirmed that all had been reviewed and approved by the Service Manager and Director of Finance & Corporate Services or Managing Director in line with the Scheme of Delegation. All had been processed in accordance with the agreed payment dates.
- 2.15 The ledger balance is reconciled to the finance spreadsheet monthly by the Management Accountant. We reviewed the reconciliation for month 7 with no issues identified.

Parity Payments

- 2.16 On the 25 March 2021 the UK Treasury announced that it would fund a number of changes to achieve parity across the four UK schemes, with funding backdated to

April 2019. Welsh Government Directions were received on the 13 August 2021, with parity payments calculated and processed in the same month.

- 2.17 The Management Accountant demonstrated the process for calculating payments due and the checking mechanisms in place to ensure accuracy. We reformed the calculations for a sample of 10 beneficiaries to confirm that the backdated lump sum and new monthly payment rate had been correctly calculated and paid. No issues were identified.

Beneficiary Bank Details

- 2.18 Beneficiary bank details are added to / amended on the Oracle system by the Accounts Payable Supplier Maintenance Team (SMT) on request of the Management Accountant or Service Manager following a request direct from the beneficiary or via the WIBSS Support Officers.
- 2.19 We reviewed a sample of 15 (out of 30) new/amended bank details during 2021/22 to date and confirmed that all had been accurately processed. For the three relating to bank amendments, the current bank details had been provided to confirm the authenticity of the request, in line with the Oracle Supplier Maintenance Process.
- 2.20 The nature of the scheme presents an inherent risk of fraud or error with the processing of manual payments to individuals and two officers collectively responsible for application assessment, payment calculation, preparation and review of payment files, requests for additions/amendments to beneficiary bank details and month end reconciliation. We observed satisfactory segregation of duties controls in place, with the Service Manager and WIBSS Support Officer (where appropriate) included in all sampled requests for addition / amendment to bank details.
- 2.21 Beneficiaries are identifiable on Oracle as the 'supplier' record contains both the beneficiary name and reference to WIBSS. Whilst we have not raised a finding in this respect, opportunity to enhance confidentiality by removing reference to WIBSS has been highlighted to management.

Conclusion:

- 2.22 We observed satisfactory arrangements in place for the calculation of parity payments, payment processing and the maintenance of beneficiary bank details in Oracle. Consequently, we have concluded **Substantial** assurance for this objective.

Objective 5: Recommendations arising from the previous audit (NWSSP-1819-04) have been addressed

2.23 The status of recommendations arising from the previous audit is set out within the table below:

| Finding | Priority | Status | New Finding |
|---|----------|---------------------------------|------------------|
| Policies & Procedures | Medium | Partially Implemented / Ongoing | Matter Arising 1 |
| Risk Management | Medium | Implemented | n/a |
| Risk Associated with Transfer of Beneficiary Data | Medium | Implemented | n/a |
| Review of Payment Dataloads & Month End Reconciliations | Medium | Superseded / Implemented | n/a |
| Approval of Payment Dataloads | Medium | Implemented | n/a |
| Authorisation of New Applications | Low | Implemented | n/a |
| Ongoing Eligibility | Low | Implemented | n/a |
| Maintenance of Beneficiary Records on Oracle System | Low | Implemented | n/a |
| Verification of Doctor Confirming Eligibility | Low | Implemented | n/a |

Conclusion:

2.24 Noting the above, we have concluded **Substantial** assurance for this objective.

Appendix A: Management Action Plan

| Matter Arising 1: Policies and Procedures (Design) | | Impact |
|---|----------------------|--|
| <p>A Staff Procedure Guide was developed when WIBSS was established in 2017. It is fundamentally based on the Welsh Government Directions and supplemented by the more comprehensive Scottish Government Directions where appropriate. The previous internal audit in 2019 identified opportunity to enhance the Guide, including:</p> <ul style="list-style-type: none"> identifying the officers responsible for scrutinising and approving application forms; defining the procedure for doing this; and clarifying the processes for calculating backdated payments and recovering duplicate payments. <p>We reviewed version 1.7 (October 2021) of the Guide and confirmed that points 1 and 2 above have been addressed, however there is no reference to the processes for calculating backdated payments or recovering duplicate payments. The Guide was in the process of being updated at the time of audit fieldwork to reflect the new parity payment arrangements and is due to be presented at the March 2022 WIBSS Governance Group for final ratification.</p> | | <p>Potential risk of:</p> <ul style="list-style-type: none"> Procedural documentation is incomplete or out of date resulting in inconsistency or non-compliance with agreed processes |
| Recommendations | | Priority |
| <p>1.1 The Staff Procedure Guide should be updated as part of the ongoing review to incorporate the outstanding points identified in the previous audit (as outlined above) and finalised as planned.</p> | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>1.1 Agreed. The updating of the Staff Procedure Guide is substantially complete and will be presented to the next WIBSS Governance Group meeting in March 2022. It will include reference to the principle that calculating backdated payments is usually to the date of receipt of an application. With regards recovery of duplicate payments, we would not propose a separate process, but will reference that we would follow the standard financial procedure for this.</p> | <p>31 March 2022</p> | <p>WIBSS Manager</p> |

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. |
|  | No 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.



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Salary Sacrifice Final Internal Audit Report January 2022

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| | |
|-------------------------------|---|
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| Final report issued: | 17 January 2022 |
| Auditors: | Rhian Jones, Principal Auditor |
| Executive sign-off: | Andy Butler, Director of Finance and Corporate Services |
| Distribution: | Russell Ward, Head of Accounts Payable and Enablement Michelle Richards, Staff Benefit Manager |
| Committee: | Velindre University NHS Trust Audit Committee for NWSSP |



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Acknowledgement

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Executive Summary

Purpose

The overall objective of this audit is to assess the adequacy and effectiveness of the arrangements in place for the administration of salary sacrifice schemes.

Overview

We identified no significant issues for reporting in our review.

Two low priority matters arising have been identified, relating to opportunities to enhance existing controls. Details are provided in Appendix A.

Report Classification

| | | Trend |
|---|---|-------------------------------------|
|  | <p>Substantial Few matters require attention and are compliance or advisory in nature.</p> <p>Low impact on residual risk exposure.</p> | <p>N/A</p> <p>No Previous Audit</p> |

Assurance summary¹

| Assurance objectives | Assurance |
|--|-------------|
| 1 Policies and Procedures are in place setting out how the scheme will be administered | Substantial |
| 2 Applications are appropriately reviewed, validated, and approved prior to placing an order with the supplier | Reasonable |
| 3 Payroll deductions are processed promptly and accurately | Substantial |
| 4 Processes are in place to recover any additional charges incurred, such as early terminations, parking/speeding fines, accident and repair | Substantial |

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

1. Introduction

- 1.1 A review of the Salary Sacrifice was completed in line with the 2021/22 Internal Audit Plan. The relevant Executive Director lead for the assignment is the Director of Finance and Corporate Services.
- 1.2 A salary sacrifice arrangement is a voluntary arrangement whereby an employee receives a reduced basic salary ('revised basic salary') in exchange for a benefit from their employer, such as a purchased or leased asset at competitive prices. The Salary Sacrifice Team within NWSSP administers salary sacrifice schemes on behalf of participating NHS Wales organisations.
- 1.3 The salary sacrifice schemes currently offered include:

| | |
|---------------------------|---|
| Cycle to Work | Option to purchase cycle and safety equipment. The scheme runs during spring/summer months. |
| Home Electronic Solutions | Option to purchase home electrical items from Currys/PC World |
| Fleet Solutions | Option to lease a vehicle over a 2-3 year period |

- 1.4 This review seeks to provide NWSSP with assurance that operational procedures and practices for the Cycle to Work, Home Electronic Solutions and Fleet Solutions schemes are compliant with the organisations guidance, policies, and procedures.
- 1.5 The following risks were considered during this audit:
- Non-compliance with policies and procedures; Inadequate eligibility and validation checking arrangements potentially resulting in inappropriate access to the scheme; and
 - Potential for financial loss to NWSSP or participating NHS Wales organisations.

2. Detailed Audit Findings

Objective 1: Policies and procedures are in place setting out the roles and responsibilities of the NWSSP Salary Sacrifice Team and scheme participants, and process in place for administering each scheme

- 2.1 We confirmed that procedural notes are available which encompass the processes undertaken by the Salary Sacrifice Team in administering the schemes reviewed.
- 2.2 We also note for each of the schemes, information is available to staff to review on the intranet, detailing the process' involved and any implications should they wish to proceed with an application.

Conclusion:

- 2.3 Noting the above, we have concluded **Substantial** assurance for this objective.

Objective 2: Applications are appropriately reviewed, validated, and approved prior to placing an order with the supplier

- 2.4 Testing was undertaken to ensure that review, validation, and approval was evident prior to the order being placed with the supplier. In total, a sample of 30 employees (15 Lease Car scheme, 10 Home Electronics Scheme and 5 Cycle to Work Scheme) was selected from the spreadsheets maintained by the Salary Sacrifice team and tested as below.
- 2.5 We confirmed eligibility to join a scheme is assessed at initial application. Criteria for approval of an application has been set out within the information provided to employees, which include:
 - For Lease Car Scheme – Employee does not fall below national minimum wage (NMW); and employee must hold a permanent position or a fixed term equal to or longer than the term of the lease.
 - Home Electronics Scheme – Total of salary deductions is no more than 10% of wage (Excluding Cars) and employee does not fall below NMW; and no more than 3 orders within a 12 month period.
 - Cycle to Work Scheme – Order is no more that £2500 (limit set internally as there is no limit set by HMRC); total of salary deductions is no more than 10% of wage (Excluding Cars) and employee does not fall below NMW.
- 2.6 We can confirm that for each sample tested the Salary Sacrifice team had satisfactorily reviewed eligibility prior to approval via carrying out payroll checks and confirming managerial authorisation where applicable. A log of rejected applications together with the reasons for rejection can be found within the spreadsheets maintained by the team.
- 2.7 For the schemes provided by Fleets Solutions, Home Electronic Solutions and Cycle solutions the eligibility criteria relating to NMW is automatically calculated within the system and applications are rejected if they fail to meet this.

- 2.8 As of November 2021, Welsh Ambulance Services Trust (WAST) have employed the services of Vivup to offer a home electronics scheme to their employees, which the NWSSP Salary Sacrifice team administer. The portal used does not automatically calculate the NMW element at application stage and therefore the Salary Sacrifice team must do this manually. In addition, the portal does not retain copies of contracts and these must be requested from the company when needed. Within our sample, two employees were selected from the Vivup scheme, we were able to satisfactorily obtain the contract between the employee and Vivup. **[See Matter Arising 1 in Appendix]**
- 2.9 For the providers Fleet Solutions, Cycle Solutions and HES we confirmed contracts between the provider and the Health Board/Organisation were in place.
- 2.10 Within the Cycle to Work FAQ information leaflet, the limit of an order is stated as £1000 however this has since been superseded by a £2,500 limit. This was highlighted to management during audit fieldwork.
- 2.11 We tested to ensure contracts are in place between the employee and the scheme provider detailing the terms and conditions of the scheme and that they had been satisfactorily signed and dated. Testing highlighted no matters arising.
- 2.12 We undertook a review of the ordering process to ensure orders placed are in line with policy and segregation of duties is evident. No issues were identified for the 30 sampled.
- 2.13 Discussion with the Salary Sacrifice manager highlighted that details held within the spreadsheets maintained by the team for each of the schemes are populated by copying and pasting information obtained from the scheme providers' portal, which increases the risk of incomplete or inaccurate information due to human error. When comparing information held on the spreadsheet for the sample selected, we did find one instance where the salary sacrifice amount stated differed to that on the contract and two instances where the spreadsheet recorded a different authorising officer to that logged in Oracle. It is noted that these anomalies did not result in any errors made within the application process or salary deduction process. **[See Matter Arising 2 in Appendix]**

Conclusion:

- 2.14 Noting the above, we have concluded **Reasonable** assurance for this objective.

Objective 3: Payroll deductions are processed promptly and accurately

- 2.15 For the sample of 30 employees selected for testing, covering the three sacrifice schemes, we sought to ensure that deductions from salary commenced promptly and correctly following the receipt of goods. For the schemes provided by NHS Fleet Solutions, Home Electronic Solutions Cycle Solutions and Vivup, review of payroll information showed that all deductions were correct and commenced in the following month's pay following delivery of the goods.

Conclusion:

2.16 Noting the above, we have concluded **Substantial** assurance for this objective.

Objective 4: Processes are in place to recover any additional charges incurred, such as early terminations, parking/speeding fines, accident and repair

2.17 Within the Terms & Conditions of the employees' contracts with the providers of the salary sacrifice schemes, reference is made to the process for recovering any additional charges incurred by the employee.

2.18 We confirmed the process of recovering any additional charges is done via salary deduction. For the car lease scheme, the Salary Sacrifice team will receive notification of any additional charges, an email is then sent on to Payroll instructing them to make the necessary deductions. This information is recorded on a database maintained by the team.

2.19 We noted for any monies owed following early termination of an employee's employment will be recovered from the final salary. Any monies that cannot be recovered in this way are dealt with by the Payroll overpayments team.

Conclusion:

2.20 Noting the above, we have concluded **Substantial** assurance for this objective.

Appendix A: Management Action Plan

| Matter Arising 1: Applications are assessed suitably against eligibility criteria prior to being authorised (Design) | | Impact |
|--|--------------------------------|--|
| The Vivup portal providing the home electronics scheme for WAST does not have the function to automatically reject applications falling below NMW and does not retain copies of contracts. | | Potential risk of: <ul style="list-style-type: none"> Non-compliance with policies and procedures; Inadequate eligibility and validation checking arrangements potentially resulting in inappropriate access to the scheme. |
| Recommendations | | Priority |
| 1.1 NWSSP to explore with WAST the feasibility of the Vivup portal being updated to include an automatic eligibility check and retention of contracts. | | Low |
| Agreed Management Action | Target Date | Responsible Officer |
| Agreed – We will discuss with WAST and Vivup to see if the portal can (1) have the necessary functionality to reject applications falling below NMW and (2) retain a copy of contract placed | 28 th February 2022 | Michelle Richards, Staff Benefit Manager |

| Matter Arising 2: Applications are assessed suitably against eligibility criteria prior to being authorised (Design) | | Impact |
|---|--|---|
| <p>The majority of the details maintained within the spreadsheets used by the Salary Sacrifice team is data that has been manually copy and pasted from supplier portals, which increases the risk of incomplete or inaccurate information due to human error.</p> | <p>Potential risk of:</p> <ul style="list-style-type: none"> • Non-compliance with policies and procedures. • Inadequate eligibility and validation checking arrangements potentially resulting in inappropriate access to the scheme. | |
| Recommendations | | Priority |
| <p>2.1 NWSSP Salary Sacrifice team to explore with the scheme providers the feasibility of securely transposing data as a download rather than manually. This would inevitably mitigate the risk of human error whilst transposing data from the portals to the spreadsheets.</p> | | <p>Low</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>Agreed – As well as discussing this with the scheme providers, we are exploring the utilisation of Robotics Process Automation (RPA) with the Accounts Payable Division Enablement Team to see if Robotics can be used across the salary sacrifice processes to reduce the risk of incomplete or inaccurate information due to human error</p> | <p>28th February 2022</p> | <p>Michelle Richards, Staff Benefit Manager</p> |

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. |
|  | No 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.



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Stores

Final Internal Audit Report

January 2022

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| Auditors: | Jennifer Usher, Principal Auditor |
| Executive sign-off: | Jonathan Irvine, Director of Procurement & Health Courier Services |
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| 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 Institute of Internal Auditors

Acknowledgement

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Executive Summary

Purpose

The purpose of the audit review was to evaluate and determine the adequacy of the systems and controls in place over the management of inventory at both NWSSP Stores and External Storage facilities.

Overview

We also identified two medium priority matters arising relating to stock count arrangements, and the updating of and compliance with the Stores Losses Protocol.

Overall, we have concluded Reasonable assurance for the systems and controls in place for the management and security of inventory.

Report Classification

| | | Trend |
|---|---|-------|
|  | Reasonable Some matters require management attention in control design or compliance. | N/A |
| | Low to moderate impact on residual risk exposure until resolved. | |

Assurance summary¹

| Assurance objectives | Assurance |
|---|-------------|
| 1 Stock levels are recorded accurately and completely. | Reasonable |
| 2 The risk of loss through theft and obsolescence is minimised. | Substantial |

Matters Arising

| | | Assurance Objective | Control Design or Operation | Recommendation Priority |
|---|-----------------------------------|---------------------|-----------------------------|-------------------------|
| 1 | Stock Count Arrangements | 1 | Design | Medium |
| 2 | Stores Losses Protocol | 1 | Design | Medium |
| 3 | Stores Losses Protocol Compliance | 1 | Operation | Medium |

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

1. Introduction

- 1.1 The review of Stores within the NHS Wales Shared Services Partnership (NWSSP) was completed in line with the 2021/22 Internal Audit Plan.
- 1.2 To support the all-Wales response to Covid 19, NWSSP procured and supplied PPE stocks for NHS, Primary Care and Social Care organisations in Wales and have put in place a stockpile of PPE items as agreed with Welsh Government to provide pandemic resilience and support the vaccination programme. This has resulted in significant additional stock holding within NWSSP inventory and a necessary expansion into external storage facilities.
- 1.3 The total value of stockholding as at the 30th September 2021 was £87.7m:

| Storage Facility | £'m |
|---------------------------------|---------------|
| NHS Store Bridgend | 3.697 |
| NHS Store Denbigh | 1.327 |
| WG / NHS Store St Athan | 7.143 |
| NHS Store Newport | 18.393 |
| NHS Store Newport Brexit Stocks | 3.227 |
| External Storage South West | 16.105 |
| External Storage South East | 22.635 |
| External Storage North | 4.520 |
| Vested Stock | 10.669 |
| Total Stockholding | 87.716 |

- 1.4 As a result of Covid-19 restrictions Audit Wales were unable to attend a physical stocktake of the Trusts inventory balance and were therefore unable to obtain sufficient appropriate audit evidence through a physical stocktake as mandated and, consequently, issued a qualified 'limitation of scope' opinion on the 2020-21 financial statements.
- 1.5 The potential risks considered in the review are as follows:
- error or misstatement in the financial accounts;
 - erroneous stock balances potentially resulting in insufficient stock levels to meet customer demand which could impact on NHS Wales service continuity; and
 - financial loss through theft or obsolescence

2. Detailed Audit Findings

Objective 1: Stock levels are recorded accurately and completely

Stock Management Systems

- 2.1 The Oracle Warehouse Management System (WMS) operates across all NHS store locations. Stock receipts, issues and movements are recorded in the system via barcode scanning.
- 2.2 At the time of audit, there were four external storage facilities in use holding most of the NHS Wales PPE pandemic stock. This stock is included in the NWSSP stores inventory on WMS and is used to replenish NWSSP main stores.

| Supplier | Location | NWSSP Inventory |
|------------|------------------|-----------------|
| G (site C) | South East Wales | Newport IP5 |
| G (site T) | South East Wales | Newport IP5 |
| O | South West Wales | Bridgend |
| D | North Wales | Denbigh |

- 2.3 Suppliers G & D operate their own internal inventory management systems which provide system stock holding reports which are regularly reconciled to the NWSSP WMS. We were advised that physical stock counts are undertaken monthly by NWSSP stores staff at each external site to verify the balances held on the WMS and supplier systems, where applicable. cursory review of the visitor logs for each site corroborated this.

Perpetual Stocktaking

- 2.4 Perpetual stocktaking arrangements are in place within NWSSP stores, driven by the WMS which is configured to count every stock line at least once in a 12-month period. System parameters are refreshed monthly to ensure any new or discontinued lines are captured. Additional ad hoc cycle counts are undertaken if a discrepancy such as damaged or missing stock is identified. The WMS maintains a full audit trail of cycle counts which are reviewed on a monthly basis via the *Stores Movement* report.
- 2.5 The *Stores Movement* reports for 2020/21 identified that not all item lines had been counted at least once during the financial year, via either a perpetual or ad hoc count – see table 1 below. We understand that this could be due to:
- manual (rather than system) counts for stock stored at external supplier sites;
 - item lines with zero balance for the duration of the year are excluded. Examples cited include certain PPE item lines made active for all sites even if not stocked at every site;

- new item lines added part way through the year (so have been on the system from less than 12 months); and
- items with no transactional history (i.e. where the balance has not changed since receipted on the system) as items would have been counted at the point of receipt.

To mitigate this, we were advised that an exercise is undertaken to identify items not cycle counted by the end of January and manual counts are requested where appropriate.

Table 1: Cycle Count Summary

| | Bridgend | Denbigh | Newport |
|--|-------------|------------|-------------|
| FY 2020/2021 | | | |
| Number of Active Lines | 1552 | 1072 | 1509 |
| % Active Lines Counted | 96% | 94% | 89% |
| Value of Active Lines (@March 2021) | £25,228,054 | £3,964,416 | £20,786,420 |
| Value of Lines Counted ² (@March 2021) | £22,463,696 | £3,770,089 | £19,042,959 |
| Value of Lines <u>not</u> Counted (@March 2021) | £2,764,358 | £194,327 | £1,743,461 |
| FY 2021/2022 | | | |
| Number of Active Lines | 1553 | 1069 | 1534 |
| % Active Lines Counted | 69% | 74% | 65% |
| Value of Active Lines (@November 2021) | £18,290,307 | £4,895,013 | £26,285,521 |
| Value of Lines Counted ² (@November 2021) | £15,364,152 | £4,409,028 | £13,388,625 |

- 2.6 Further investigation of the £2.76m not counted in 2020/21 at Bridgend Stores noted that £2.69m of this related to one item line stored at an external site. The same applies to £1.05m of the £1.7m not counted at Newport Stores. We confirmed that manual stock counts are undertaken at external stores on a monthly basis. However, stock count information is not amalgamated to give a central overview of count completion, and assurance that all stock lines are counted at least once in a 12-month period. **[See Matter Arising 1 in Appendix A]**

Stock Adjustments

- 2.7 The Stores Losses Protocol (2018) was due for review in January 2020 and requires updating to reflect the closure of Cwmbran Store, establishment of Newport Distribution Centre (IP5) and staffing changes affecting the scheme of delegation for the approval of losses. We were advised that the protocol is in the process of being updated and awaiting finalisation. **[See Matter Arising 2 in Appendix A]**
- 2.8 The protocol requires formal investigation and approval (using the *Stock Write Off & Write On Process Form*) of all write on and write off adjustments in excess of

² This is the value of lines counted at the stated date and may differ to the value at the time they were counted

£1000. Adjustments up to £1000 can be approved within the WMS by the Assistant Warehouse Manager.

2.9 Discrepancies between the system and physical stock balance identified during a scheduled cycle count are escalated by the system for independent recount. If the discrepancy is confirmed, the system balance is adjusted to reflect the physical stock balance once approved in line with the Stores Losses Protocol. Table 2 summarises cycle count adjustments for 2021/22 as of 31 October 2021:

Table 2: Cycle Count Adjustments

| | Bridgend | Denbigh | Newport | Net Total |
|------------------|------------------|------------------|----------------|------------------|
| Write On | £44,321 | £92,598 | £90,513 | £227,432 |
| Write Off | (£64,177) | (£113,172) | (£60,670) | (£238,019) |
| Net Total | (£19,856) | (£20,573) | £29,842 | (£10,587) |

Manual 'account alias' stock adjustments are required for discrepancies identified outside of the scheduled cycle count process, for example to write on a physical stock surplus or write off obsolete stock. Stock monitoring and rotation arrangements are covered in paragraph 2.18 & 2.19 below. Table 3 summarises obsolete stock written off during 2021/22 as of 31 October 2021:

Table 3: Obsolete Stock Write Offs

| | Bridgend | Denbigh | Newport | Net Total |
|------------------|------------------|------------------|------------------|------------------|
| Damaged | (£2,286) | (£8,119) | (£29) | (£10,434) |
| Out of Date | (£20,971) | (£12,129) | (£21,863) | (£54,963) |
| Net Total | (£23,256) | (£20,248) | (£21,892) | (£65,397) |

2.10 We reviewed a sample of 17 cycle count adjustments and 25 manual stock adjustments to confirm completion and appropriate authorisation of the Write-On / Write Off Process Form:

- The Supply Chain Systems Manager advised that the form is not currently used for cycle count adjustments at Bridgend Stores so there was no evidence of investigation and approval in line with the scheme of delegation for the four write-offs and one write-on reviewed (only four write-offs over £1000 had been processed by Bridgend Stores for the period April – October 2021).
- Four forms had not been approved, and one had not been approved in line with the extant scheme of delegation – this was due to the scheme of delegation being out of date – see paragraph 2.7 above.
- Two write-offs incurred a delay of nearly four and seven months respectively between the completion and authorisation of the form.

[See Matter Arising 3 in Appendix A]

Physical Verification of Stock Balances

- 2.11 A sample of stock lines was selected from the inventory reports for each store (to include high value lines and those with frequent adjustments) and physical counted to verify the accuracy of the system balance. Details are summarised in table 4 below. At the time of sample selection, the total value of stock was £65.7m.
- 2.12 It was not possible to perform physical stock counts at Supplier G (Site C) due to the storage arrangements meaning that pallets could not be safely accessed for counting. Further details are provided at paragraph 2.18 below.
- 2.13 No discrepancies were identified between the system and physical stock balances held at the remaining three external sites. A number of discrepancies were identified at the NWSSP main stores however most were minor in value with only two discrepancies in excess of the £1000 formal investigation threshold set out within the Stores Losses Protocol. At the time of reporting, we had received evidence to confirm prompt investigation and resolution for one discrepancy which was due to an incorrect system balance now corrected (i.e. no loss). We were advised that investigation of the second discrepancy is ongoing.

Table 4: Physical Stock Verification

| Inventory | Location | Value of Stock Sampled for Physical Count | Net Value of Discrepancies | Number of Item Lines Counted | Number of Item Lines with Discrepancies |
|--------------|---------------------|---|----------------------------|------------------------------|---|
| Bridgend | NWSSP Store | £236,386 | (£6,943) | 7 | 7 |
| | Supplier O | £15,731,808 | £0 | 6 | 0 |
| Denbigh | NWSSP Store | £176,613 | £3,223 | 11 | 9 |
| | Supplier D | £3,788,118 | £0 | 10 | 0 |
| Newport | NWSSP Store | £6,449,907 | £559 | 12 | 8 |
| | Supplier G (Site C) | £0 | - | - | - |
| | Supplier G (Site T) | £4,955,549 | £0 | 8 | 0 |
| Total | | £31,338,381 | (£3,161) | 54 | 24 |

Conclusion:

- 2.14 Our physical stock verification exercise did not identify any significant discrepancies in the system stock balances for the sample reviewed. Whilst the arrangements in place for perpetual stock counts are generally satisfactory, management needs assurance that there are valid reasons for the stock lines not counted during 2020/21. We identified instances of non-compliance with the requirements of the Stores Losses Protocol, which requires updating to reflect recent changes to the structure of NWSSP Stores. Accordingly, we have concluded **Reasonable** assurance for this objective.

Objective 2: The risk of loss through theft and obsolescence is minimised

Security of Stock

2.15 We observed robust security controls at the three NWSSP stores and three of the four external sites, including:

- Restricted access to sites and buildings with security presence, CCTV and heat/motion sensors
- Use of visitor logbooks and the requirement for visitors to be accompanied
- Staff clearly identifiable and distinguishable from visitors via ID badges and hi-visibility vests

2.16 These observations were not replicated at Supplier G (site C), where we identified significant concern with the lack of security controls in terms of both the condition and operation of the site. The pallets were not fully accessible for safe and accurate counting, so we were unable to verify the physical stock holding. However, we note that monthly counts have been performed by NWSSP Stores staff with no discrepancies identified.

Our concerns were escalated to management and prompt action taken to transfer all stock from 'site C' to the supplier's alternative 'site T'. We understand that this process was completed in mid-December 2021. Consequently, no findings are raised in this respect.

Stock Monitoring Arrangements

2.17 The Stock Movement Reports are regularly reviewed with a focus on current usage and expiry dates to inform stock rotation and minimise the risk of wastage. For items with expiration dates the system instructs replenishment tasks in order of expiry. Slow moving stock lines are monitored with the system min/max levels adjusted accordingly to prevent over-ordering and excess stock holding. The value of out-of-date stock written off during 2021/22 to date is identified within table 3 on page 7.

2.18 Brexit stock, included within the Newport inventory and stored at IP5, is continually monitored and used to replenish NWSSP stores 'main stock' where appropriate via the use of a manual internal requisition process. This enables ringfenced Brexit stock to be incorporated into the stock rotation arrangements for NWSSP Stores as a whole so short date Brexit stock can be utilised within NHS Wales and replenished via new order from the supplier. Management is in the process of testing the automation of the internal requisition process by incorporating it within the Oracle WMS and enabling automated orders to be routed internally or to external suppliers as required.

Conclusion:

2.19 Security controls at six of the seven sites visited were robust and we observed satisfactory arrangements in place for the monitoring and rotation of stock. Although significant concerns were identified at one external site, we acknowledge the prompt action taken by management to address these and stock counts performed by NWSSP Stores staff indicate no discrepancies with the physical stock held there. Consequently, we have concluded **Substantial** assurance for this objective.

Appendix A: Management Action Plan

| Matter Arising 1: Stock Count Arrangements (Design) | | Impact |
|---|-------------------|---|
| <p>The <i>Stores Movement</i> reports for 2020/21 identified that not all item lines had been counted at least once during the year, via either a perpetual or ad hoc count.</p> <p>Further investigation of the £2.76m not counted in 2020/21 at Bridgend Stores noted that £2.69m of this related to one item line stored at an external site. The same applies to £1.05m of the £1.7m not counted in 2020/21 at Newport Stores. We are aware that manual stock counts are undertaken at external stores on a monthly basis. However, stock count information is not amalgamated to give a central overview of count completion, and assurance that all stock lines are counted at least once in a 12-month period.</p> | | <p>Potential risk of:</p> <ul style="list-style-type: none"> • Unidentified discrepancies in system and physical stock balances • Error or misstatement in the financial accounts |
| Recommendations | | Priority |
| <p>1.1 Management need to review stock count completion (encompassing both WMS system and non-system based counts, such as those at external sites) prior to year-end to confirm and demonstrate that all item lines are counted at least once in a 12-month period. Any active stock lines not counted within the prior 12-month period should be justified or subject to a manual count where appropriate.</p> | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>1.1 Recommendation noted. "Stores losses protocol" is in the process of being updated to ensure that explicitly stated. It should be noted that all items will not necessarily be counted within a financial year, however, all active lines should be counted within a rolling 12 month period. Upon further investigation it has been noted that a large percentage of lines that are showing as not being cycle counted are in actual fact "non-active" lines, i.e.: they have been set up but have not been used. For example, in Denbigh Warehouse, out of approximately 190 lines that have not been cycle counted, only 3 are actually active lines.</p> | <p>11/02/2022</p> | <p>Asst Director of Supply Chain, Logistics & Transport</p> |

| Matter Arising 2: Stores Losses Protocol (Design) | | Impact |
|---|-------------------|--|
| <p>The Stores Losses Protocol (2018) was due for review in January 2020 and requires updating to reflect the closure of Cwmbran Store, establishment of Newport Distribution Centre (IP5) and staffing changes affecting the scheme of delegation for the approval of losses. We were advised that the protocol is in the process of being updated and awaiting finalisation.</p> | | <p>Potential risk of:</p> <ul style="list-style-type: none"> • Non-compliance with policies and procedures • Erroneous or fraudulent stock adjustments resulting in financial loss |
| Recommendations | | Priority |
| <p>2.1 Ensure that the revised Stores Losses Protocol Guidelines & Procedure document reflects changes to NWSSP Stores and the scheme of delegation for the approval of losses. The document should be finalised and communicated with relevant staff.</p> | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>2.1 Recommendation noted. "Stores losses protocol" is in the process of being updated to ensure that fully updated.</p> | <p>11/02/2022</p> | <p>Asst Director of Supply Chain, Logistics & Transport</p> |

| Matter Arising 3: Stores Losses Protocol Compliance (Operation) | | Impact |
|---|--|---|
| <p>We reviewed a sample of 17 cycle count adjustments and 25 manual stock adjustments to confirm completion and appropriate authorisation of the Write-On / Write Off Process Form:</p> <ul style="list-style-type: none"> • The Supply Chain Systems Manager advised that the form is not currently used for cycle count adjustments at Bridgend Stores so there was no evidence of investigation and approval in line with the scheme of delegation for the five sampled. • Four forms had not been approved, and one had been approved but not in line with the scheme of delegation - this was due to the scheme of delegation being out of date – see paragraph 2.7 above. • Two write-offs incurred a delay of nearly four and seven months respectively between the completion and authorisation of the form. | <p>Potential risk of:</p> <ul style="list-style-type: none"> • Non-compliance with policies and procedures • Erroneous or fraudulent stock adjustments resulting in financial loss | |
| Recommendations | | Priority |
| <p>3.1 The Write-On / Write-Off Process Form must be completed and authorised (in line with the scheme of delegation for write-offs) for all stock adjustments over £1000 as required by the Stores Losses Protocol. This should be actioned within reasonable time following identification of the discrepancy.</p> | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>3.1. Recommendation noted. "Stores losses protocol" is in the process of being updated to ensure that fully updated. For clarity going forward, all adjustments – i.e.: cycle counts / manual counts / adjustments / etc. - over the value of £1000 will need sign off via accompanying form and via the agreed hierarchy</p> | <p>11/02/2022</p> | <p>Asst Director of Supply Chain, Logistics & Transport</p> |

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. |
|  | No 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.



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ICT Infrastructure Final Internal Audit Report

January 2022

NHS Wales Shared Services Partnership

NWSSP Audit and Assurance



Partneriaeth
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Audit and Assurance Services



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

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Disclaimer notice - please note

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Executive Summary

Purpose

To evaluate the controls in place for the infrastructure (including the Core Hyper-V infrastructure and Telephony) to ensure that it is secure, reliable and fit for future developments and needs.

Overview

Key matters arising concerned:

- There is a lack of resilience within the provision of the telecoms system;
- There are security issues with the telecoms system;
- There is a lack of visibility for NWSSP IT into the infrastructure and its management; and
- There are a number of old infrastructure items that contain security vulnerabilities.

Report Classification



More significant matters require management attention.

Moderate impact on residual risk exposure until resolved.

Assurance summary¹

| Assurance objectives | Assurance |
|------------------------------------|-------------|
| 1 Telecoms Infrastructure | Limited |
| 2 Physical Infrastructure | Limited |
| 3 Access to Virtual Environment | Substantial |
| 4 Virtual Architecture | Reasonable |
| 5 Continuity and Disaster Recovery | Reasonable |
| 6 Benefits Realisation | Reasonable |
| 7 Fit for the Future | Reasonable |

Matters Arising

| | | Assurance Objective | Control Design or Operation | Recommendation Priority |
|---|-----------------------|---------------------|-----------------------------|-------------------------|
| 1 | Telecoms Resilience | 1 | Operation | Medium |
| 2 | Telecoms Performance | 1 | Operation | Medium |
| 3 | Telecoms Security | 1 | Operation | High |
| 4 | Performance Reporting | 2 | Operation | Medium |
| 5 | Old Equipment | 2 | Operation | High |
| 6 | Asset Visibility | 2 | Operation | Medium |
| 7 | Resource Use | 4 | Operation | Medium |
| 8 | Continuity Testing | 5 | Operation | Medium |

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

1. Introduction

- 1.1 The review of the IT Infrastructure, including the Core Hyper-V infrastructure (including Telephony) within NWSSP (the organisation) was completed in line with 2021/22 Internal Audit Plan.
- 1.2 The scope of the internal audit work was the infrastructure used by NWSSP and did not include the management of Oracle, ESR and Primary Care systems.
- 1.3 The risks considered in the review were as follows:
 - NWSSP does not maximise the benefits from infrastructure investment;
 - loss of a higher number of systems due to physical server failure;
 - unauthorised access to information / data;
 - failure of the organisation to comply with license requirements; and
 - the organisation cannot appropriately recover from loss of IT services.

2. Detailed Audit Findings

Objective 1: The telecom infrastructure is appropriately managed to ensure security and reliability

- 2.1 The Telecoms system is a Mitel system with a support contract in place with Maintel.
- 2.2 The management of the telecoms in terms of numbers and routing is a defined role within NWSSP.
- 2.3 There is an inherent lack of resilience for the telecoms system. There is only one person with the knowledge of managing it within NWSSP, so when absent there is no capability for managing the system and updating numbers. (Matter Arising 1)
- 2.4 We note that the resilience aspect is starting to be addressed within NWSSP, as the lead officer has started to create user guides for the role as there has been an expression of interest in telecoms within the department which would enable some support.
- 2.5 The Mitel system itself has a resilient architecture in place, with automatic failover for voice telephony to alternate datacentre to ensure continuity of operation. We note that this automatic failover is not in place for the Contact Centres or Voice Recording.
- 2.6 NWSSP has moved to increasing use of softphones which utilise the data network in order to provide voice communication, we do note however that the use of softphones means that they are very reliant on the network and client device and this includes the contact centres. In the event of a loss of client device there is no voice communication using softphones and this would impact on the operation of the call centres.

- 2.7 However, we note that work is ongoing to move to a new portal which allows for management of all lines and allows alternate routing for continuity. This can allow calls to be redirected e.g. to a managers mobile, and hence improve continuity.
- 2.8 As noted previously there is a contract with Maintel for the maintenance and support of the telecoms system, however there is no performance reporting on the Telecoms system, despite the contract stating that performance reports are to be provided. The lack of performance reporting means that there is very limited information on the system and its use, with no information on call volumes, latency, dropped calls, call quality etc. Related to this, we note that there have been issues with quality and dropped calls, but the reasons for this cannot be tracked without the information being provided. (Matter Arising 2)
- 2.9 The telecom systems are hosted securely within the NWSSP virtual environment.
- 2.10 The contract with Maintel requires them to comply with security policies and states "the Supplier shall ensure that any system on which the Supplier holds any Customer Data, including back-up data, is a secure system that complies with the requirements of Call Off Schedule 7 (Security)". However we note that there are issues in the security arrangements for the telecoms system with default admin accounts still active and used for shared access, and the lack of any vulnerability assessment of the system. We noted that there are vulnerabilities within Mitel products, however there is no reporting or assurance provided from Maintel that the fixes produced for these have been applied. (Matter Arising 3)

Conclusion:

- 2.11 Although the telecoms system is securely held and architecturally resilient, the lack of information relating to the performance of telecoms or the security profile of the system together with the lack of management resilience means that we can provide limited assurance over this objective.

Objective 2: The physical infrastructure is maintained appropriately

- 2.12 The physical infrastructure is managed by Client Services within DHCW under an SLA arrangement.
- 2.13 Management of the SLA is via regular meetings, the agendas of which include review of performance, review of SLA, new requests and updates. As part of this process performance reports showing the status of performance against service standards are provided.
- 2.14 As we note above, performance against service standards is reported by DHCW, however there is no reporting on the detail of the performance of the functions within the SLA. e.g. there is no reporting on how servers are supported and managed and nothing on asset management that would show the success of these. Without this NWSSP has no visibility of the status of this service. We note that DHCW have developed internal performance reporting on some aspects of these. e.g. patch compliance which would enable some clarity if these were provided to NWSSP. (Matter Arising 4)

- 2.15 The physical infrastructure for NWSSP is comprised of a large number of disparate items, predominantly Dell servers and Cisco switches and access points. The age of these varies and we note that work is ongoing to remove the older servers with many older servers having been recently decommissioned within the last year.
- 2.16 Warranty is in place for many servers, with a 4 hour support window.
- 2.17 Although work is ongoing to remove older servers, there are a number of old servers still in use within NWSSP, both windows 2003 and 2008. We note that there is an intent to remove the Windows 2003 servers by the end of the year, however not all the 2008 servers have a plan to upgrade or remove. These are out of support and represent a security risk to the organisation.
- 2.18 In addition there are a number of very old switches in place some many over 15 years old and these are out of support and are running old software with security vulnerabilities. We note that 30 new switches have been purchased, however these have not yet been installed due to Covid disruption. (Matter Arising 5)
- 2.19 There is a capital allowance for replacing equipment, however it is not sufficient to replace all equipment on a rolling basis and there is no funded, structured replacement plan for infrastructure equipment.
- 2.20 There is active management and monitoring of the infrastructure items within DHCW. Servers are managed using Dell OpenManage which is a console which allows visibility of server status, alerts and issues. Switches are managed using Cisco DNA Centre which provides a similar functionality to the Dell product and also provides weekly vulnerability reports to DHCW on the status of the network. Storage and the virtual environment are managed used direct alerts.
- 2.21 We note however that the older servers and switches are not tracked within the relevant products and so alternative arrangements are in place for these using older processes and products.
- 2.22 Our testing of the management of servers and switches noted that there were very few active, valid alerts and that OS (operating system) versions of servers were up to date. We also noted that any alerts that occur trigger a warning mail to key individuals in DHCW for action, with information on alerts also being displayed in a dashboard.
- 2.23 There is a formal process for patching infrastructure items, and this is set out within an SOP that makes clear that items are in risk based tranches for patching.
- 2.24 Desktops and laptops are patched using Microsoft Intune, (previously using Microsoft (SCCM)) and servers are patched using Windows Update Services due to the cost of bringing these into SCCM. There is a target to ensure patching is done within 14 days after patch Tuesday and we note that the current status is approximately 90%.
- 2.25 Asset management is included as a charge within the SLA with DHCW. This also contained Asset Studio, which we note has been replaced by Snow Asset Management. The service statement for Asset Studio / Snow states that it provides in depth information on the hardware assets to provide a fully rounded view of the

IT environment. However servers and switches were never included in Asset Studio, and they are not currently within Snow. As NWSSP do not have access into the CMDB, SCCM or Dell OpenManage this means that there is no full record held by NWSSP IT of what hardware is owned by NWWSP and there is very little visibility of the state of the infrastructure for NWSSP IT. In addition the service as per the SLA may not be being completely delivered. (Matter Arising 6)

Conclusion:

- 2.26 There are processes in place for active monitoring of infrastructure hardware, and there are minimal active alerts with the patch status being good. However we note that there are a considerable number of old infrastructure items in place and these present a security risk to the organisation, along with a certain level of continuity risk. NWSSP IT has very little visibility into the state of the infrastructure hardware and has only recently been able to compile a record of its assets with a great deal of reliance placed on DHCW without relevant performance reporting being provided. Accordingly we have provided limited assurance over this objective.

Objective 3: Access to the hypervisor and virtual machines is appropriately controlled

- 2.27 NWSSP uses Hyper-V as its virtual environment. Access to Hyper-V is controlled via Active Directory and is restricted to the Data Admin Group. Membership of this group is appropriately restricted to IT specialists and senior staff within DHCW.
- 2.28 All management of the virtual environment is done using the management console.
- 2.29 The virtual environment is hosted on physical servers, each with a network card.
- 2.30 Virtual machines (VMs) are created with defined virtual network interface cards (VNICs) to create virtual local area networks (VLANs), with a statically assigned IP range. When VMs are created they are assigned to the relevant VLAN to enable network segregation.
- 2.31 Voice and data are separated into different VLAN layers.
- 2.32 The virtual environment enforces separation of network traffic for management data.
- 2.33 The hosting of the virtual environment is within the general firewall provision for the network. We note that there is no separate firewall for the virtual environment.
- 2.34 Roles and permissions within the virtual environment are appropriately restricted.

Conclusion:

- 2.35 Access to the virtual environment and the virtual machines is appropriately restricted and network segregation is in place. Accordingly we have provided substantial assurance over this objective.

Objective 4: The virtual architecture is appropriately set up to allow for greater efficiency and continuity

- 2.36 The architecture for the virtual environment is based on a dual site basis. The primary site is Companies House and there is replication to the Newport Data Centre (NDC). There is a split of 60/40 for hosting of VMs and full replication for critical systems.
- 2.37 There is a failover process available in the event of a loss of site. We note that this is not an automatic process but needs manual intervention, with a 5 minute replication time for VMs.
- 2.38 Appropriate physical controls are in place over the hardware locations, with servers being kept in dedicated locked rooms, with air conditioning and fire alarms in place.
- 2.39 There is a structured process for the creation of VMs. All VMs require a form for requests which is completed with appropriate information and appropriately authorised.
- 2.40 VMs are built based on the standard build for NWSSP and adjusted if necessary. This ensures compliance with relevant policies.
- 2.41 As part of the VM request process the requester have to specify the required resources eg RAM and processors.
- 2.42 When VMs are created the resource levels are allocated based on the request form. Our testing confirmed that resource use is defined / restricted and not dynamic. This prevents VMs from hogging resource and runaway VMs.
- 2.43 We note that restrictions have been set for the use of storage to ensure the sensible use of resource and to ensure that the memory type used is appropriate to the service.
- 2.44 We note that there has been consideration of the use of resource pools, however these have not been needed as no issues have been flagged. Neither has there been a need for use of memory weighting.
- 2.45 We note that alerts are in place within the hardware and alerts are triggered within the virtual environment should a VM go into a paused state. However in general there are few alerts triggered within the virtual environment.
- 2.46 There is a dashboard that shows the state of the environment and resource usage overall and this shows that the overall load on both memory and processing is low.
- 2.47 As noted above the overall use of memory and processing within the virtual environment is low, although some VMs run at their maximum allocation.
- 2.48 The underlying balance between ensuring the stability of the virtual environment and that all services operate without issues, against maximising the potential from virtualisation appears to be skewed heavily to risk avoidance.
- 2.49 There is no access to provide visibility into the environment for NWSSP IT staff and no ongoing discussion with users to see if more resource could be utilised. As users define the resource requirements at outset they may not be aware of the potential

to increase the allocated resource and potentially improve performance. (Matter Arising 7)

Conclusion:

2.50 The virtual environment is resiliently architected with controls over physical security and replication across sites. There is a controlled process for creating VMs and resource use is constrained as part of this set up process. However we note that the resources within the virtual environment are not being fully utilised and that some VMs may benefit from increased resource. Accordingly we can provide reasonable assurance over this objective.

Objective 5: Appropriate back up, continuity and DR arrangements are in place within ICT

- 2.51 There isn't a "one size fits all" approach to business continuity planning (BCP), but there is a risk based approach. So the high risk areas e.g. Procurement / HCS etc will have a full BCP, whereas lower risk e.g. Audit & Assurance will just have action cards.
- 2.52 The development process for BCPs includes consideration of the loss of IT services to enable services to continue to operate.
- 2.53 As part of the development of NWSSPs BC position there were a series of workshops undertaken with departments in order to assess their weakness and critical services provided. This process fed into the creation of an NWSSP Business Impact Assessment (BIA).
- 2.54 From our review of the BIA we note that there is explicit consideration of recovery time objective (RTO), as is IT loss, and services are also allocated priorities for recovery in the event of a loss of IT provision.
- 2.55 Although there have been desktop exercises to review the continuity processes, we note that there is no planned, regular schedule for testing of the continuity plans. (Matter Arising 8)
- 2.56 There are procedures within DHCW to allow for recovery of data from back up in the event of a loss, and to restore services where appropriate. The password for this operation is stored in Password Vault to allow other users to enact the process in the event of an emergency when the normal staff are not available.
- 2.57 There are some disaster recovery plans (DRs) in place within NWSSP, in particular for the higher risk systems and for directorates who retain greater control over the management of their IT Services. However there is no regular testing of DR plans and there is no structure to ensure that each service has assurance that DR plans are in place as appropriate. (Matter Arising 8)
- 2.58 There is a back up process, which is recorded within an SOP in place in DHCW using Commvault, with the ransomware protection option included. This ensures that a copy of data is taken and available in the event of an emergency.
- 2.59 The back up process is that there is replication of data across sites, then to the back up library and then to tape. We note that there are two sets of tape and these are

taken offsite to ensure availability in the event of site loss. We also note that there is an appropriate retention policy for tapes which is set out in the SOP.

- 2.60 The back up process is monitored with a dashboard available. Reports are also produced on the back up processes, as are alerts, which are acted on accordingly.
- 2.61 We note however, that although data is recovered from back up on an ad-hoc basis, there is no ongoing scheduled testing of backups to confirm their validity. (Matter Arising 8)
- 2.62 PCS are more involved in the back up process than other services. They handle the tapes and although there is tape rotation, the tapes are stored within the same building albeit on different floors. This has been noted as an issue and there is an intent to use offsite rotation in the future.
- 2.63 We also note that PCS have established additional back up routines for the SQLServer data and for the development and test environments.

Conclusion:

- 2.64 There is a business continuity planning process in place within NWSSP and disaster recovery plans are in place within DHCW and for some services, although we note that there is a lack of clarity over the extent of these. There is a formal back up process in place for data which ensures availability in the event of a disaster, however we note that this is not subject to regular testing, neither are the DR and BC plans. Accordingly we have provided reasonable assurance over this objective.

Objective 6: The anticipated benefits from investment in the telecom and virtual infrastructure have been achieved

- 2.65 Benefits were outlined in the business case for the infrastructure and telecoms upgrade, although we note that these weren't fully defined or quantified, and weren't split out from deliverables. The benefits were just noted as outcome benefits for the project and these were that:
- the infrastructure system would be more efficient to manage, adapt and operate so should be cheaper and easier to use;
 - the infrastructure would be more flexible and so allow the organisation to adapt rapidly; and
 - infrastructure and telecoms are backed up to minimise disruption.
- 2.66 Discussions with staff noted that there is the view that the investment in the infrastructure has produced benefits including improved resilience from the use of the virtual environment, reduced hardware cost due to a reduced requirement to purchase physical servers and faster provisioning of servers. Although we note that for the latter point there is a reliance on the small team within DHCW which can obviate this at times.
- 2.67 However, there has been no formal benefits realisation or benefits assessment process in relation to the virtual infrastructure and telecoms project and this means that NWSSP cannot categorically demonstrate that the project produced the benefits from the investment.

2.68 We note that undertaking a benefits assessment at this stage would not provide value to the organisation. However, this should be noted as a lesson learned and factored into future projects.

Conclusion:

2.69 Although the business case did not separately define benefits and there was a lack of a formal benefits realisation process, the investment in the infrastructure has most likely provided the key benefits to NWSSP. Accordingly we can provide reasonable assurance over this objective.

Objective 7: The infrastructure provision within NWSSP considered modern technology and suitability for future needs

2.70 The virtual environment was installed as part of the infrastructure upgrade, it represented a move to a more modern infrastructure provision and remains a modern option.

2.71 The future direction for digital systems is in cloud based systems and app based systems as opposed to large hosted systems. This allows for greater resilience and increased responsiveness to user needs. NWSSP can show that it is moving in this direction with the new legal system being cloud based, the implementation of Office 365 and some development projects in progress to increase the use of this and develop functionality.

2.72 Although NWSSP is moving towards increasing use of modern / future technology, there is a lack of skills and knowledge in place to enable successful use of these. (Matter Arising 9)

- the move towards cloud based services using Azure requires a role within the organisation to manage resource use to ensure costs are minimised, however there is no role established and there are no such skills within NWSSP which would enable this role;
- NWSSP is upgrading servers to 2016, the direction of travel in this space is towards a hyperconverged infrastructure, however there are not enough skills within NWSSP to be able to successfully influence the move from 2016 towards this; and
- There are no skills within NWSSP to enable a move towards software defined networking which would enable the modernisation of the network when the current switches become end of life.

2.73 The telecoms system is currently subject to a project to replace or renew as the contract with Maintel is coming to an end. As part of this the management team are looking at a cloud options and integration with Teams, so yes up to date technology is being considered in the telecoms refresh.

2.74 We do note however, that while the move to a purely cloud solution does give significant advantages in terms of cost, scalability and ease of management, it does lead to some key risks. For the solution to be effective it needs a constant, reliable

internet connection, there is risk of increased latency and jitter, and there is a risk that if the network fails, then so does the phone system. So in the case of a major incident there could be total loss of communications.

Conclusion:

2.75 The current provision of infrastructure within NWSSP uses modern technology, and there is progress towards updating this. The lack of skills within NWSSP does mean that progress may stall, accordingly this means that we can provide reasonable assurance over this objective.

Appendix A: Management Action Plan

| Matter Arising 1: Telecoms Resilience (Operation) | | Impact |
|--|---------------------|--|
| <p>There is an inherent lack of resilience for the telecoms system, with the following issues noted:</p> <ul style="list-style-type: none"> There is only one person with the knowledge of managing it within NWSSP, so when absent there is no capability for managing the system and updating numbers etc. | | Potential risk that the organisation cannot appropriately recover from loss of IT services |
| Recommendations | | Priority |
| 1.1 The knowledge of the system and how to manage it should be shared within the IT team in NWSSP and back up support factored in to allow cover for times of absence. | | Medium |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>Our model is like that of DHCW i.e., one member of the team with telephony experience, supported by a third-party provider. It is also important to recognise that given our strategic commitment to agile working in the future, our dependency on traditional telephony communications has diminished in the last two years, so the risk to business disruption has also decreased.</p> <p>Management considers the level of risk to be proportionate given we have invested in a third-party provider which can provides access to a broader range of expertise and system knowledge in the event issues arise, albeit we may need to pay for such additional adhoc support.</p> | 31 July 2022 | Director of Planning, Performance, and Informatics |

| | | |
|--|--|--|
| In addition work has already commenced to share user guides and this will be progressed to provide additional support within the team. | | |
|--|--|--|

| Matter Arising 2: Telecoms Performance (Operation) | | Impact |
|---|-------------------------------|--|
| <p>There is no performance reporting on the Telecoms system, despite the contract stating that performance reports are to be provided.</p> <p>The lack of performance reporting means that there is very limited information on the system and its use, with no information on call volumes, latency, dropped calls, call quality etc.</p> <p>We note that there have been issues with quality and dropped calls, but this cannot be tracked without the information.</p> | | <p>Potential risk that NWSSP does not maximise the benefits from infrastructure investment</p> |
| Recommendations | | Priority |
| <p>2.1 NWSSP should request that the supplier provide performance reports as per the contractual requirement.</p> | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>Performance reports are available on calls routed through our Contact Centres. Live information is available via Call Centre Wallboards. Several reports are available for download by Contact Centre supervisors which includes calls received per day, average wait times, numbers of abandoned calls, average call length etc.</p> <p>Similar statistics for calls direct to staff and outgoing calls are not readily available because the option to purchase a dedicated Data Logger was not exercised when the system was implemented.</p> <p>In the 4+ years that the system has operated there have been no requests from the business to provide that data</p> <p>Performance of the service is managed on a by exception basis and issues such as dropped calls and call quality being raised by service managers to the telephony</p> | <p>31 January 2023</p> | <p>Director of Planning, Performance, and Informatics</p> |

point of contact within the NWSSP team. There have been no incidences of significant business disruption.

The relationship with the provider is positive with a regular point of contact that is familiar with our operations and ways of working to handle issues as and when they arise. As an example our requirement to move a number of staff over onto softphones during the pandemic was handled well and without disruption to core services.

We are in the process of procuring a replacement telephony system, as the current contract is due to expire in the next 12 months. **We will ensure that the new contract specification clearly captures regular performance reporting requirements.** It is likely that our future telephony arrangements will be a cloud-based arrangement linking more closely to our investment in Microsoft Office 365 and associated apps such as Microsoft Teams.

| Matter Arising 3: Telecoms Security (Operation) | | Impact |
|---|--------------------------------|--|
| <p>The contract with Maintel requires them to comply with security policies and states "the Supplier shall ensure that any system on which the Supplier holds any Customer Data, including back-up data, is a secure system that complies with the requirements of Call Off Schedule 7 (Security)."</p> <p>There are issues in the security arrangements for the Telecoms system</p> <ul style="list-style-type: none"> • Default admin accounts are still active within the systems and are used for shared access, one of which retains the default, and searchable password. • Although the server has been subject to vulnerability testing, the systems themselves have not. <p>There are vulnerabilities within Mitel products, however there is no reporting or assurance provided from Maintel that the fixes produced have been applied.</p> | | <p>Potential risk of unauthorised access to information / data</p> |
| Recommendations | | Priority |
| <p>3.1 The default admin accounts should be deactivated, or at least renamed and default passwords changed.</p> | | <p>High</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>This has been actioned immediately IA made us aware of the issue.</p> | <p>Already actioned</p> | <p>N/a</p> |

| Matter Arising 4: Performance Reporting (Operation) | | Impact |
|---|----------------------------|--|
| <p>Performance against service standards is reported by DHCW, however there is no reporting on the detail of the performance of the functions within the SLA. e.g. there is no reporting on how servers are supported and managed that would show the success of this service. Without this NWSSP has no visibility of the status of this service.</p> <p>We note that DHCW have developed internal performance reporting on some aspects of these.</p> | | <p>Potential risk that NWSSP does not maximise the benefits from infrastructure investment</p> |
| Recommendations | | Priority |
| <p>NWSSP should formally request that DHCW provide performance reports that show the successful delivery of the functional aspects of the service, covering items such as:</p> <ul style="list-style-type: none"> - patch compliance; - nodes with alerts resolved / unresolved; - server alerts outstanding / dealt with; and - proactive monitoring reports. | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>DHCW is our strategic partner and our goals are closely aligned. There are bi-monthly meetings with DHCW that involve the senior IT team members and lead Directors from both organisations, plus monthly meetings with operational teams. These meetings include significant levels of performance information and would consider any issues relating not just to the client services elements of the SLA but also to servers as examples. As another example we have in recent months discussed access to reports that provide assurance that patches have been applied.</p> | <p>31 July 2022</p> | <p>Chief Digital Officer</p> |

| | | |
|--|--|--|
| <p>DHCW have already considered this request and provided us with access to a dashboard that IT managers can access.</p> <p>Servers and systems managed by the DHCW Data Centre Team do gather and report system availability statistics etc. Performance of systems and servers managed by DHCW Client Services (mostly in NWSSP server rooms) have not had this level of monitoring in the past. If this is required, NWSSP may need to fund an expansion of the SolarWinds monitoring tool.</p> <p>The format and content of our performance and monitoring reports is constantly evolving and will be continue to be reviewed.</p> | | |
|--|--|--|

| Matter Arising 5: Old Equipment (Operation) | Impact |
|---|---|
| <p>There are a number of old servers and switches still in use within NWSSP. These are out of support, contain security vulnerabilities and represent a security risk to the organisation.</p> <p>We note that some new switches have been purchased, however these have not yet been installed</p> | <p>Potential risk of:</p> <ul style="list-style-type: none"> • unauthorised access to information / data. • organisation cannot appropriately recover from loss of IT services. |
| Recommendations | Priority |
| <p>A plan to replace all the Windows 2008 servers should be developed and enacted.</p> <p>A funded, rolling replacement programme for infrastructure equipment should be developed.</p> | <p>High</p> |

| Agreed Management Action | Target Date | Responsible Officer |
|--|--------------------------------|--|
| <p>Not agreed – there is a plan to replace all 2008 servers.</p> <p>We have an agreed upon a programme of renewal as part of our Windows 10 migration and implementation of MSO365. This is alongside our migration plan to move all NWSSP staff on the DHCW supported platform and away from other health board or Trust platforms. It is therefore known that we have a number of old servers still in place, but we are decommissioning them as the migration work is completed.</p> <p>We have made good progress in recent years but have experienced recent delays in the migration plans due to the pandemic, as there was a dependency not only on the availability of NWSSP staff, but also IT staff within HBs to assist with this work, and priorities understandably needed to be revised. However, we are finishing 2021-22 with much progress having been made in the last few months. To mitigate the delays and potential security vulnerabilities we have paid for extensions to warranties where possible.</p> <p>DHCW have provided us with 15 months’ notice of the need to replace the server at Companies House. This not considered an unreasonable timeframe to plan and prepare a business case for funding. The servers will therefore continue to be decommissioned and the major task will be replacement of the Companies House server.</p> <p>Notwithstanding the above a rolling programme for the replacement of infrastructure equipment will be further developed and funding sought as appropriate.</p> | <p>31 December 2022</p> | <p>Director of Planning, Performance, and Informatics</p> |

| Matter Arising 6: Asset Visibility (Operation) | | Impact |
|--|-------------------|--|
| <p>An Asset management system is included as a charge within the SLA with DHCW. This as defined as Asset Studio, which we note has been replaced by Snow Asset Management. The service statement for Asset Studio / Snow states that it provides in depth information on the hardware assets to provide a fully rounded view of the IT environment. However servers and switches were never included in Asset Studio, and they are not currently within Snow. As NWSSP do not have access into the CMDB, SCCM or Dell OpenManage this means that there is no full record held by NWSSP IT of what hardware is owned by NWSSP and there is very little visibility on the state of the infrastructure for NWSSP IT and the service as per the SLA may not be being completely delivered.</p> | | <p>Potential risk that NWSSP does not maximise the benefits from infrastructure investment</p> |
| Recommendations | | Priority |
| <p>The servers should added to Snow to enable visibility of the whole infrastructure. In the interim, access should be granted to Dell OpenManage for NWSSP IT staff.</p> | | <p>Medium</p> |
| Agreed Management Action | Target Date | Responsible Officer |
| <ol style="list-style-type: none"> 1) This issue has been raised with DHCW whose policy is not to include servers on Snow. 2) We have previously raised this issue regarding Dell OpenManage with DHCW, and the current challenge is understood to be that NWSSP cannot be given access to solely the NWSSP information within the system. We would need to be given access to the whole system, as it is currently configured including the infrastructure information of others, and this would not be appropriate. | <p>N/a</p> | <p>No further action proposed.</p> |

| Matter Arising 7: Resource Use (Operation) | Impact | |
|--|--|----------------------------|
| <p>The overall use of memory and processing within the virtual environment is low, although some VMs run at their maximum allocation. There is no visibility into the environment for NWSSP IT staff and no ongoing discussion with users to see if more resource could be utilised.</p> <p>As users define the resource requirements at outset they may not be aware of the potential to increase the allocated resource and potentially improve performance.</p> | <p>Potential risk that NWSSP does not maximise the benefits from infrastructure investment</p> | |
| Recommendations | Priority | |
| <p>Consideration should be given to providing (read only) access to the hypervisor monitoring to NWSSP IT staff.</p> <p>A process should be established for reviewing the potential to increase resource allocations to improve performance for specific VMs and maximise the value gained from investment in the virtual environment.</p> | <p style="text-align: center;">Medium</p> | |
| Agreed Management Action | Target Date | Responsible Officer |

| | | |
|--|-------------------------------|-------------------------------------|
| <p>Agreed - Management considers that DHCW should be doing this for NWSSP as part of the SLA.</p> <p>Given we, like many other NHS organisations are still relatively early on in our transition to virtual environment and have future plans to do more in this area, the Chief Digital Officer will address this as part of our Digital Strategy and review of DHCW SLA arrangements.</p> | <p>31 January 2023</p> | <p>Chief Digital Officer</p> |
|--|-------------------------------|-------------------------------------|

| <p>Matter Arising 8: Continuity Testing (Operation)</p> | <p>Impact</p> |
|--|--|
| <p>Although there have been desktop exercises to review the continuity procedures, there is no planned, regular schedule for testing of the continuity and disaster recovery plans.</p> <p>There is also no structure to ensure that each service has assurance that DR plans are in place as appropriate.</p> <p>In addition, although data is recovered from backup on an ad-hoc basis, there is no ongoing scheduled testing of backups to confirm their validity</p> | <p>Potential risk that the organisation cannot appropriately recover from loss of IT services.</p> |
| <p>Recommendations</p> | <p>Priority</p> |

| <p>Services should be requested to formally confirm that they have assessed the requirement for business continuity and disaster recovery plans and that they are in place accordingly.</p> <p>A formal schedule of testing should be established for:</p> <ul style="list-style-type: none"> • business continuity plans; and • disaster recovery plans. | <p>Medium</p> | |
|--|----------------------------|--|
| <p>AS the back up process is managed by DHCW, NWSSP should request that a schedule of regular testing of the back ups be implemented and the results fed back to NWSSP</p> | | |
| Agreed Management Action | Target Date | Responsible Officer |
| <p>This has already been identified as part of the NWSSP Business Continuity Plan, and IT systems has been captured as an area requiring more work.</p> <p>A workshop is planned for Qtr 4 of 2021-22 (COVID priorities allowing), to explore further our approach to this, and prioritise the testing plans to commence from April 2022.</p> <p>The Central Business Team (Oracle) has offered to demonstrate their approach to DR testing.</p> <p>This is also an area of risk that has been identified by most other NHS Wales organisations, and there will be opportunities to work with others and share learning from respective scenario testing.</p> | <p>31 July 2022</p> | <p>Director of Planning, Performance, and Informatics</p> |

| Matter Arising 9: Modern Skills (Operation) | Impact | |
|---|---|------------------------------|
| <p>Although NWSSP is moving towards increasing use of modern / future technology, there is a lack of skills and knowledge in place to enable successful use of these:</p> <ul style="list-style-type: none"> the move towards cloud based services using Azure requires a role within the organisation to manage resource use to ensure costs are minimised, however there is no role established and there are no such skills within NWSSP which would enable this role. NWSSP is upgrading servers to 2016, the direction of travel in this space is towards a hyperconverged infrastructure, however there are not enough skills within NWSSP to be able to successfully influence the move from 2016 towards this. There are no skills within NWSSP to enable a move towards software defined networking which would enable the modernisation of the network when the current switches become end of life. | NWSSP does not maximise the benefits from infrastructure investment | |
| Recommendations | Priority | |
| <p>Training should be provided on Azure management and a role for managing resource established.</p> <p>Training should be provided to NWSSP IT staff on modern architecture and network trends in order to influence the direction of travel when replacement servers and switches is required.</p> | Medium | |
| Agreed Management Action | Target Date | Responsible Officer |
| We are waiting on the DHCW Centre of Excellence model to become established before we fully commit to the level of training that we may need to provide ourselves. The Director of Planning, Performance, and Informatics has been asked to sit on the Programme Board for the Centre of Excellence, so this will be | 31 January 2023 | Chief Digital Officer |

opportunity to ensure we are able to influence its development to help achieve our NWSSP objectives.

NWSSP is by no means an outlier in terms of having few trained staff in these new and emerging technologies. This is an issue faced by other NHS organisations in Wales and we are all 'shopping' in a small pool of talent and against the added challenge of market forces on salaries in such roles and the restrictions of Agenda for Change and funding. NWSSP is therefore very much linked into the national work on Digital Skills being led by HEIW.

The Chief Digital Officer will take forward the future training needs plan for the internal team and will address this recommendation as part of that work.

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. |
|  | No 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.



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NHS WALES SHARED SERVICES PARTNERSHIP

Audit Committee – 25th January 2022

**Counter Fraud Progress Report for the period
1st October 2021 to 31st December 2021**

**NIGEL PRICE
COUNTER FRAUD
CARDIFF & VALE UNIVERSITY HEALTH BOARD**

NHS WALES SHARED SERVICES PARTNERSHIP

AUDIT COMMITTEE 25th January 2022 PART A

COUNTER FRAUD PROGRESS REPORT

1. Introduction
 2. Current Case Update
 3. Progress and General Issues
- Appendix 1 Summary Plan Analysis
- Appendix 2 Assignment Schedule

Mission Statement

To provide the NWSSP with a high-quality NHS Counter Fraud Service, which ensures that any report of fraud is investigated in accordance with the Directions for Countering Fraud in the NHS and all such investigations are carried out in a professional, transparent and cost-effective manner.

1. INTRODUCTION

1.1 In compliance with the Directions on Countering Fraud in the NHS, this report details the current Counter Fraud and Corruption work carried out, by the Local Counter Fraud Specialists, for the period 1st October 2021 to the 31st December 2021.

The report's style has been adopted, in consultation with the Velindre NHS Trust and NWSSP's Finance Directors, to inform and update the Audit Committee of any significant changes in cases during the reporting period.

Progress of the NWSSP Annual CF Work-Plan of 75 days, is reported in **Appendix 1**. By 31st December 2021 48 days of Counter Fraud work have been undertaken. Any significant changes in the progress and work undertaken are outlined in point 2 below.

2. CURRENT CASE UPDATE

There are no open investigations linked to NWSSP.

3. PROGRESS AND GENERAL ISSUES

3.1 Fraud Awareness Presentations

COVID-19 restrictions have considerably reduced the amount of sessions the department can deliver but during this reporting period 1 session has been delivered to 7 delegates through Microsoft Teams. The feedback from all the presentations shows that 100% of the delegates are more comfortable discussing with counter fraud any concerns they may have that a fraud may be happening.

3.2 Counter Fraud Resources Update

The counter fraud department consists of a manager, 2 accredited investigators and one admin support role. Since January 2021 the manager has been on long-term sick leave and will not be return to his role. In September 2021 the person in the admin support role left to take up another role. As a result of that, the department was considerably under resourced.

The decision was made to replace the admin role with an investigator who has now been appointed and started on the 4th January 2022. The manager's role is advertised with a closing date of the 20th January 2022, it is hoped to have a new CF manager in post by the start of the 2022-23 financial year.

2.3 Recruiting Agency Pre-Employment Risk Assessment Exercise

Following an investigation in another organisation a risk-assessment exercise has been started to test the due diligence checks carried out by recruiting agencies before staff are recommended for employment in NHS Wales Shared Service Partnership. The exercise is continuing and an update will be presented at the next audit committee.

APPENDIX 1

COUNTER FRAUD SUMMARY PLAN ANALYSIS 2020/21

| AREA OF WORK | NWSSP | Days to Date |
|---|-----------|--------------|
| General Requirements | | |
| Production of Reports to Audit Committee | 3 | 4 |
| Attendance at Audit Committees | 3 | 1.5 |
| Planning/Preparation of Annual Report and Work Programme | 5 | 4 |
| Annual Activity | | |
| Creating an Anti Fraud Culture | 0 | 2 |
| Presentations, Briefings, Newsletters etc. | 14 | 4 |
| Other work to ensure that opportunities to deter fraud are utilised | 0 | 1 |
| Prevention | | |
| The reduction of opportunities for Fraud and Corruption to occur | 0 | 0 |
| Detection | | |
| Pro-Active Exercises (e.g. Procurement) | 17 | 10 |
| National Fraud Initiative 2020/21 | 2 | 3 |
| Investigation, Sanctions and Redress | | |
| The investigation of any alleged instances of fraud | 25 | 18 |
| Ensure that Sanctions are applied to cases as appropriate | 4 | 0 |
| Seek redress, where fraud has been proven to have taken place | 2 | 0.5 |
| TOTAL NWSSP | 75 | 48 |

**APPENDIX 2
COUNTER FRAUD ASSIGNMENT SCHEDULE 2021/22**

| Case Ref | Allegation | Background | Open/Closed |
|----------|------------|------------|-------------|
| | | | |

| | |
|--|--|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| AGENDA ITEM | |
| PREPARED BY | Jane Tyler, Senior Finance and Business Partner |
| PRESENTED BY | Graham Davies, Assistant Director of Procurement |
| RESPONSIBLE HEAD OF SERVICE | Andy Butler, Director of Finance and Corporate Services |
| TITLE OF REPORT | Inventory Stock Management Arrangements |

| |
|---|
| PURPOSE To update the Audit Committee on NWSSP Stock Management Arrangements in place. |
|---|

Introduction

As previously reported, in order to support the all-Wales response to Covid 19, NWSSP have been required to put in place a stockpile of PPE items as agreed with Welsh Government to provide pandemic resilience and support the vaccination programme. This has resulted in significant additional stock holding within NWSSP Inventory and a necessary expansion into external storage facilities.

The below details the stockholdings for all NWSSP storage facilities at 31st December 2021.

| Storage Facility | £'m |
|---------------------------------|---------------|
| NHS Store Bridgend | 3.407 |
| NHS Store Denbigh | 2.086 |
| WG / NHS Store St Athan | 4.670 |
| NHS Store Newport | 15.460 |
| NHS Store Newport Brexit Stocks | 2.961 |
| External Storage South West | 15.315 |
| External Storage South East | 19.245 |
| External Storage North | 3.660 |
| Vested Stock - Pharmapac | 4.597 |
| Vested Stock - Lumira | 2.015 |
| Total Stockholding | 73.415 |

Vested Stocks are owned by NWSSP but not held in NWSSP storage facilities. Lumira stocks are tests held by and issued directly from the company due to their short date life. Pharmapac stocks are FFP3 masks and will be fully received into NWSSP stores before year end.

NWSSP Audit Committee
25 January 2022

As a result of Covid-19 restrictions in March 2021 Audit Wales were unable to attend stores and were therefore unable to obtain sufficient appropriate audit evidence through a physical stock verification, as mandated by the Auditing Standard, and consequently they issued a qualified 'limitation of scope' opinion on the 2021-21 financial statements. It is planned that in March 2022 Audit Wales will attend physical locations and obtain stock verification, work is ongoing with Audit Wales to ensure risk assessments have been completed and measures are in place to ensure this takes place safely. Please see an example of a current risk assessment -Appendix 1.

This report provides assurance of the accuracy of recorded stock balances by detailing the NWSSP stock taking and governance arrangements in place to ensure the safeguarding of stock and accurate recording of stock balances.

Perpetual Stock Taking Arrangements NHS Stores

The following NWSSP Stores operate a Warehouse Management System (WMS):

- NHS Store Bridgend
- NHS Store Denbigh
- NHS Store Newport
- WG / NHS Store St Athan

Here perpetual stock taking is facilitated through daily cycle counting which enables the periodic counting of individual items throughout the course of the year to ensure the accuracy of inventory quantities and values. Each day the system automatically (randomly) selects a number of items to be cycle counted and all items are selected during the financial year. Once a cycle count is selected the system will not allow for any movements against that item until it is completed. Any identified discrepancies are managed through the Stores Losses Protocol which requires investigation and Manager approval for losses over £1k and further approval for losses over £5k in line with standing financial instructions.

Note the WG/NHS Store St Athan has recently been set up in WMS and a full manual stock take carried out to enable these stocks to be accurately input to the system. We are in the process of enabling cycle counting for this store with the assistance of Version 1. Previously stock taking in this store was managed manually bi-annually but during the pandemic and prior to input to WMS stocks were counted on a weekly rolling basis.

Historically Audit Wales have raised no significant issues with the cycle counting process and have carried out sample testing of stock values at year end. All previous audit outcomes have confirmed this approach as a robust stock taking arrangement and outcomes have been positive. Any recommendations made or suggestions for improvement have been implemented. Internal audit has also undertaken detailed reviews of stores processes in previous years with no significant issues arising.

Stock Taking Arrangements Brexit Stocks

In preparation for Brexit, during 2018/19 NWSSP established a standing Brexit stock of regular use and critical items to provide for supply chain resilience during NWSSP Audit Committee
25 January 2022

the Brexit process. Due to the passage of time NWSSP are now in the process of transferring short life Brexit stocks to stores pick locations for use before expiry.

To manage this process a full rolling stock take was carried out between January and March 2021, no stock discrepancies were identified, and all products and expiry dates were captured on a spreadsheet. The only movement against these stocks is for the short life stock transfer to pick. As stocks are transferred to pick through system functionality and the manual spreadsheet is updated and reconciled back to the system. Once stocks have been transferred out of Brexit, they are picked up by the cycle count in that store. To date no discrepancies have been identified, should there be an issue this would be investigated and approved in line with the Stores Losses Protocol for NWSSP NHS Stores.

Stock Taking Arrangements Non-NHS Stores

The arrangements in place for stocktaking in the Non-NHS storage facilities vary between sites depending on what facilities the supplier offers. This is reported monthly through the Systems Team to Senior Management and Finance.

- External Storage South West (Owens): This supplier does not operate an automated Warehouse Management System. Therefore, monthly physical stock takes are in place. These are undertaken by NWSSP staff and reconciled to the NWSSP Inventory system. Any discrepancies identified are managed and approved in line with the Stores Losses Protocol for NWSSP NHS Stores. Please see example Appendix 2.
- External Storage South East (Gerry Jones) and North (Delsol): These suppliers operate their own internal Inventory Management Systems from which they provide a stock holding report on monthly basis. This report is reconciled to the NWSSP Inventory system. In addition, monthly visits are carried out by NWSSP staff to undertake random sample stock checks. Again, any discrepancies identified are managed and approved in line with the Stores Losses Protocol for NWSSP NHS Stores. The timetables for the monthly visits are included below and Audit Wales are invited to attend:

| | Delsol | Owens Bynea | Gerry Jones | Picketston |
|-----------------|---------------|------------------------|------------------------|-------------------|
| January | 04/01/2022 | 26/01/2022 | 26/01/2022 | 18/01/2022 |
| February | 08/02/2022 | 23/02/2022 | 23/02/2022 | 15/02/2022 |
| March | 08/03/2022 | 23/03/2022 | 23/03/2022 | 16/03/2022 |
| April | 05/04/2022 | 26/04/2022 | 26/04/2022 | 19/04/2022 |

Further Governance Arrangements in Place

1. Governance Groups meeting bi-monthly:
 - Operational Inventory Management Group - Chaired by Senior Finance Business Partner and including all key Stores Systems and Operational staff.

NWSSP Audit Committee
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- Strategic Inventory Management Group - Attended by Director of Finance and Director of Procurement.

These forums provide for process scrutiny and review and for discussion and resolution of issues.

2. Established Financial Control Processes

- Movement on Stock balances is reconciled monthly
- Inventory system issues are reconciled to invoices raised
- Stores financial management reports are produced and scrutinised by the Finance Business Partner and Stores Budget Holder.
- Recorded losses are reported through NWSSP Audit Committee

3. Additional PPE stock scrutiny in place

- Monthly production of PPE Stock balances report
- Monthly meetings to confirm balances and movement against issues and purchases, including Director of Finance and Director of Procurement sign off.

Recommendation

The Audit Committee are asked to note the NWSSP's stocktaking and other governance arrangements relating to safeguarding and accurate recording of stocks.

| | |
|------------------------------------|--|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| PREPARED BY | Carly Wilce, Corporate Services Manager |
| PRESENTED BY | Andy Butler, Director of Finance and Corporate Services |
| RESPONSIBLE HEAD OF SERVICE | Andy Butler, 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. |

1. STANDING ORDERS AND FINANCIAL INSTRUCTIONS (SOs and SFIs)

There have been no departures from the Standing Orders and financial regulations during the period.

2. CONTRACTS FOR NWSSP

The table overleaf summarises contracting activity undertaken during the period **04 October 2021 to 13 January 2022**. A summary of activity for the period is set out in **Appendix A**.

| Description | No. |
|--|-----------|
| File Note | 3 |
| Invitation to competitive quote of value between £5,000 and £25,000 (exclusive of VAT) | 1 |
| Invitation to competitive tender of value between £25,000 and the prevailing OJEU threshold (exclusive of VAT) | 2 |
| Single Tender Actions | 5 |
| Single Quotation Actions | 1 |
| Direct Call Off against National Framework Agreement | 2 |
| Invitation to competitive tender of value exceeding prevailing OJEU threshold (exclusive of VAT) | 0 |
| Contract Extensions | 0 |
| Total | 14 |

3. NWSSP PROCUREMENT SERVICES ALL WALES CONTRACTING ACTIVITY

During the period **30 September 2021 to 04 January 2022**, activity against **59 contracts** have been completed. This includes **13** contracts at the **briefing** stage and **42** 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 **0** declarations as to Gifts, Hospitality or Sponsorship made since the last Audit Committee meeting.

5. WELSH GOVERNMENT QUARTERLY UPDATE

On a quarterly basis, we issue a letter to Judith Paget at Welsh Government to confirm any Audit Reports which have achieved limited or no assurance. We were pleased to submit a nil return to the latest report, for the last quarter.

6. STORES WRITE OFF, 1 APRIL 2019- MARCH 2021

At a previous Audit Committee meeting (October 2018), it was agreed that a breakdown of stores write-off figures would be brought to the Committee annually for information. A summary of the 2 year period 1 April 2019 to 31 March 2021 can be found below, with **Appendices A-G** attached, detailing specific items for Bridgend, Denbigh, Cwmbran and IP5 Stores, respectively.

Year End Figures 2019-20

The value of stores at the year-end on 31 March 2020, amounted to £8,578,790. For the financial year 2019/20, a stock write off of £15,622 had been actioned for out of date stock. This equated to 0.18% of the total stock holding value in March 2020.

| Stock Type | Bridgend Stores £ | Denbigh Stores £ | Cwmbran & IP5 Stores £ |
|-------------------|--------------------------|-------------------------|-----------------------------------|
| Stock Value | 1,784,735 | 953,529 | 5,840,526 |
| Out of Date Stock | 3,964 | 884 | 10,773 |
| Total | 0.22% | 0.09% | 0.18% |

During the financial year 2019/20 the value of items issued from Stores was £37.670m. The value of stock write offs equated to 0.04% of the value of those issues.

Year End Figures 2020-21

The value of stores at the year-end on 31 March 2021, amounted to £89,134,150. For the financial year 2020/21, a stock write off of £81,326 had been actioned for out-of-date stock. This equated to 0.09% of the total stock holding value in March 2021.

| Stock Type | Bridgend Stores £ | Denbigh Stores £ | Picketston Stores £ | IP5 Stores £ |
|-------------------|-------------------|------------------|---------------------|--------------|
| Stock Value | 45,771,818 | 4,140,637 | 7,495,162 | 31,726,533 |
| Out of Date Stock | 43,408 | 499 | 0 | 37,418 |
| Total | 0.09% | 0.01% | 0.00% | 0.12% |

During the financial year 2020/21 the stockholding increased significantly as a result of the Covid-19 pandemic response to move to a 24-week PPE stockholding. As all PPE stock was newly purchased none of this formed part of the out-of-date stock. However, due to the pandemic the out-of-date stock levels increased as business as usual activities decreased in the hospitals and the demand for those stocks reduced. The value of items issued from Stores also increased to £212.182m. The value of stock write offs equated to 0.0003% of the value of those issues.

These items were reviewed through the Stock Losses Protocol and stock write on/write off forms have been completed and authorised in line with the agreed Protocol.

8. RECOMMENDATIONS

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

APPENDIX A - NWSSP Contracting Activity Undertaken (04/10/2021 to 13/01/2022)

| No. | Trust | Division | Procurement Ref No | Date | SFI Reference | Agreement Title/Description | Supplier | Anticipated Agreement Value (ex VAT) | Reason/Circumstance and Issue | Compliance Comment | Procurement Action Required |
|-----|-------|---------------------|-----------------------|------------|-------------------------|---|--------------------------------------|--|--|--------------------|-----------------------------|
| 1. | VEL | NWSSP - TMU | NWSSP-SQA-852 | 20/09/2021 | Single Quotation Tender | Vigo Peristaltic Pump | Feel Assured Ltd | £15,500 | Without this item the service would be unable to initiate manufacture of monoclonal antibody infusions which have been identified as a cost saving initiative across Wales to the amount of £700,000 per annum. This would also risk the holding of an MHRA licence due to risks of cross-contamination, manufacturing contingency and variation in standard equipment used. | Endorsed | No action required |
| 2. | VEL | NWSSP - Corporate | NWSSP-DCO-48874/48965 | 01/11/2021 | Direct Call Off | Welsh Language Translation | Atebol | £50,000 | Direct award through Crown Commercial Services Framework | Endorsed | No action required |
| 3. | VEL | NWSSP -Legal & Risk | NWSSP-STA-48505 | 01/12/2021 | Single Tender Action | Specialist Barristers with expertise in clinical negligence | Chambers of Mr Richard Booth QC 1COR | £75,000 Split evenly between the chambers £18,750 each | The services are to be provided by specialist barristers with expertise in clinical negligence. | Endorsed | No action required |

| | | | | | | | | | | | |
|----|-----|------------------------------------|-----------------|------------|----------------------|--|--|------------|--|--|--------------------|
| | | | | | | | Serjeants Inn Chambers Hailsham Chambers 3 Paper Buildings | | | | |
| 4. | VEL | NWSSP-PCS | NWSSP-STA-859 | 01/11/2021 | Single Tender Action | Hewlett Packard Enterprise hardware to replace end-of-life components in the architecture that underpins the local instances of the NHAIS solution for NHS Wales | Specialist Computer Centre | £43,422.55 | Hewlett Packard Enterprise hardware to replace end-of-life components in the architecture that underpins the local instances of the NHAIS solution for NHS Wales | Endorsed | No action required |
| 5. | VEL | NWSSP - Laundry | NWSSP-ITT-861 | 18/10/2021 | Invitation to Tender | Provision of a water softener plant | Ecolab Limited UK | £28,588.95 | Awarded based on M.E.A.T | Compliant, 4 suppliers viewed the opportunity, 4 response received | No action required |
| 6. | VEL | NWSSP - Specialist Estate Services | NWSSP-DCO-48533 | 20/10/2021 | Direct Call Off | Project management, Principal Designer, Full Design and Surveying services to | Arup | £32,232.50 | Direct award through Crown Commercial Services Framework | Endorsed | No action required |

| | | | | | | | | | | | |
|-----|-----|------------------------------------|-----------------------|------------|----------------------|--|--------------------------|------------|---|-----------|--------------------|
| | | | | | | deliver EFAB funded project for LED lighting installation at IP5 depot in Newport. | | | | | |
| 7. | VEL | NWSSP – Specialist Estate Services | NWSSP-MINI-48966 | 10/01/2022 | Invitation to Tender | Tender for the Provision of Agile Estates Strategy | Essentia Trading Limited | £97,435.83 | Mini competition through Crown Commercial Services Framework | Compliant | No action required |
| 8. | VEL | NWSSP – Supply Chain | VEL-NWSSP-MQ-RA310378 | 30/11/2021 | Request for Quote | Decoration of Offices at Bridgend Stores | PRW Construction Ltd | £24,946.72 | Awarded based on M.E.A.T | Compliant | No action required |
| 9. | VEL | NWSSP – SMTL | NWSSP-STA-894 | 20/12/2021 | Single Tender Action | Purchase of an extended height Instron tensometer | Instron | £24,000 | Instron tensometer procured for new satellite lab in IP5 | Endorsed | No action required |
| 10. | VEL | NWSSP – PCS | NWSSP-STA-895 | 22/12/2021 | Single Tender Action | 3 x IBML Fusion 7300 document scanners | Kodak Alaris Limited | £301,809 | Engaging a different supplier to supply and upgrade the software would involve: - <ul style="list-style-type: none"> - Knowledge transfer from Kodak Alaris to the new supplier (which may not be feasible) - Additional costs in engaging Kodak Alaris to provide the knowledge transfer | Endorsed | No action required |

| | | | | | | | | | | | |
|-----|-----|-----------------------------|------------------|------------|----------------------|---|-------------------------|------------|---|----------|--------------------|
| | | | | | | | | | <ul style="list-style-type: none"> - Extending the time taken to migrate and introducing risk to business continuity - Increased risk of unsuccessful migration of job scripts with the consequent risk to business continuity. | | |
| 11. | VEL | NWSSP – Employment Services | NWSSP-STA-896 | 22/12/2021 | Single Tender Action | Student Bursary Awards | Kainos Software Limited | £57,250.00 | A re-procurement of the contract was undertaken earlier this year which resulted in non-compliant bids being submitted. Consequently the contract support agreement must be renewed to allow a new competitive tender process to be undertaken during 2022 and provide critical support to ensure service continuity throughout the year. | Endorsed | No action required |
| 12. | VEL | NWSSP - Laundry | VEL-NWSSP-FN-115 | 11/11/2021 | Filenote | Supply and fit new parts for Laundry Machines | ADG Engineering Ltd | £ 5406.50 | Urgent call out required, initially Supply and fix machines. Initial cost given was under £5k, when visit carried out, cost increased to £5,506. | Endorsed | No action required |

| | | | | | | | | | | | |
|-----|-----|---------------------|------------------|------------|----------|--|---------------------------|------------|--|---|--------------------|
| | | | | | | | | | Service aware of rules but this was outside of services control. | | |
| 13. | VEL | NWSSP – People & OD | VEL-NWSSP-FN-120 | 11/01/2021 | Filenote | MSc Leadership & Management - Graduate Trainee Manager | University of South Wales | £ 9000 | This File note will cover the expenditure committed for the period from September 2021 – July 2024 | Competition not sought in accordance with SFI'S | No action required |
| 14. | VEL | NWSSP – People & OD | VEL-NWSSP-FN-120 | 11/01/2021 | Filenote | MSc Healthcare Management – Graduate Trainee Manager | Swansea University | £ 8,018.50 | This File note will cover the expenditure committed for the period from September 2021 – July 2023 | Competition not sought in accordance with SFI'S | No action required |

APPENDIX B - All Wales Contracting Activity In Progress (30/09/2021-04/01/2022)

| No. | Contract Title | Doc Type | Total Value | JI approval <£750K | WG approval >£500k | NF approval £750-£1M | Chair Approval £1M+ |
|-----|---|--------------|-------------|--------------------|-----------------------|----------------------|---------------------|
| 1. | PHW - Provision of Expert Advice , Co-Delivery and Support for Improvement Cymru, Public Health Wales for Patient Safety and Harm Reduction Improvement Support for NHS Wales to commission leading international external support in the development, co-delivery and ongoing advice for the focus of patient safety and harm reduction across the continuum for NHS Wales. Contract period 2 years initial contract with option to extend to maximum of 5 years (reviewed annually after 2 years) | briefing | £3,750,000 | 16/09/2021 | 11/10/2021 | n/a | n/a |
| 2. | PHW COVID Consumables (Retrospective) To supply the routine consumables products required to support ongoing requirements for Covid-19 Testing capabilities and capacity across Wales. Contract period - 1 Year - 1 st April 2021 to 31 st March 2022 | ratification | £49,897,080 | 22/09/2021 | sent to WG 22/9 | | |
| 3. | Scan 4 Safety Contract for the supply, delivery, installation, implementation and support of an Inventory Management System by Omnicell Contract period 21 st September 2021 to 20 th September 2026 (with option to extend for a further 36 months) | contract | | 22/09/2021 | approved via bus case | 22/09/2021 | 22/09/2021 |
| 4. | VEL WBS blood grouping and antibody testing analysers Testing of Blood Donations in-line with required standards and regulations to ensure each donation released is safe for transfusion Contract period 1 st April 2022 to 31 st March 2027 with two optional 12-month extensions | ratification | £3,260,664 | 28/09/2021 | 10/11/2021 | 10/11/2021 | 10/11/2021 |
| 5. | BCU Dental The successful provider will need to embrace and extend the use skill mix in any service offer and be able to articulate and demonstrate that this will be integral to service delivery. Core to the service will be the ability of the provider to embrace innovation. This will include: <ul style="list-style-type: none"> • abandoning the Units of Dental Activity (UDA) mindset, • adopting Assessment of Clinical Oral Risks & Needs) (ACORN) led integrated care, • use of digital technology where appropriate to improve care. | ratification | £30,000,000 | 29/09/2021 | 08/10/2021 | trust gov applies | trust gov applies |

| | | | | | | | |
|----|--|--------------|------------|------------|------------|-------------------|-------------------|
| | Longer term we would see the provider helping to shape the development of driving innovative change in the provision of care. Contract period September 2021, no end date as per GDS Regulations | | | | | | |
| 6. | DHCW Citrix Software and support (NPS) The contract is for the provision of Citrix software and associated support. The specific provision is to cover the transition from on-premises perpetual licensing to Citrix Cloud enabled subscription-based licensing. In addition to the software requirements there are also optional requirements for Technical Training and Consultancy to cover the transition of services to the Citrix Cloud. Contract period 1st January 2022 – 31st December 2024 | briefing | £1,737,459 | 06/10/2021 | 21/10/2021 | n/a | n/a |
| 7. | CVU Haemodialysis in centre Outpatient Haemodialysis is delivered through a network of Satellite units across the region, supported by The David Thomas Haemodialysis Unit (DTU) on-site at UHW. DTU has recently been extensively refurbished and has seven stations, providing capacity for up to 28 patients per week. The unit focuses on providing outpatient dialysis for patients with complex needs who require specific care best provided on a Hospital site, and also treats Chronic Haemodialysis patients who may be admitted to UHW with non-renal problems. Contract period 1 st November 2021 to 31 st October 2026 (with an extension option for a further two years at the sole discretion of the Health Board) | ratification | £2,285,916 | CS 5/10/21 | 11/10/2021 | trust gov applies | trust gov applies |
| 8. | Low & Mid Tech Medicines homecare services The purpose of this service is to optimise patient outcomes with improved patient care and lifestyle benefits while releasing resources within secondary care. During the Covid pandemic the homecare service was particularly important in enabling vulnerable patients to remain at home and avoid travelling to hospital. Low and mid tech homecare services include the provision of the dispensing and delivery services for the self-administration of oral therapy. Mid tech homecare services include medicinal products that require some clinical support or diagnostic testing such as blood monitoring testing as part of the homecare service, additionally these services include the provision of medicines with special storage requirements such as refrigeration equipment. | briefing | £3,793,536 | 07/10/2021 | 18/10/2021 | n/a | n/a |

| | | | | | | | |
|-----|---|--------------|-------------|------------|-----------------------------------|------------|------------|
| | Contract period 01/04/2022 – 31/03/2025 (with option to extend for up to a further 12 months) | | | | | | |
| 9. | <p>Frozen Meals & Desserts The Frozen Meals & Desserts agreement was awarded to NH Case and Apetito respectively via an ESPO framework direct award in March 2021. The framework consists of two lots which are outlined as follows:</p> <ul style="list-style-type: none"> - Complete Individual Meals and Individual Desserts - Multi-Portion Main Meals, Desserts and Sundry Items <p>The meals are used for patient feeding and are utilised within all Health Boards across Wales, with the meals consisting of frozen-plated, multi-portion, texture modified, cultural and children's meals. There are also insourced providers for multi-portion meals in both Cardiff and Cwm Taf Morgannwg University Health Boards.</p> <p>Contract period 29th March 2021 – 28th March 2022 (with the option to extend for up to 36 months) 12 month extension taken</p> | extension | £3,584,210 | 07/10/2021 | Original approval applies 25/3/21 | 08/10/2021 | 08/10/2021 |
| 10. | <p>Anti-infective drugs To contract for Generic Drugs –Anti Infective Drugs Items to purchase for use by All Wales hospital pharmacy departments, as requested by the All Wales Drug Contracting Committee. Generic Anti-Infective Drugs Items are only available from third party manufacturers and specialist suppliers</p> <p>Contract period 01/02/2022 to 31/01/2024 (2 years) with an option to extend for a further 24 months to 30/06/2026 (2 years)</p> | ratification | £12,127,774 | 12/10/2021 | 18/10/2021 | 25/10/2021 | 25/10/2021 |
| 11. | <p>BCU HMP Berwyn This contract is to provide an in hours and out of hours (OOH) primary care general medical (GP) service to include Substance Misuse Prescribing Service at HMP Berwyn for the next 5 years. HMP Berwyn is a category C prison accommodating up to 2106 men with a remand function serving courts in North Wales</p> <p>Contract period 01/02/22 for 3 years plus 2 years extension option</p> | briefing | £1,860,105 | 12/10/2021 | 20/10/2021 | n/a | n/a |
| 12. | <p>Motor Insurance CTM To provide motor insurance cover for commercial and lease cars for Cwm Taf and Swansea Bay University Health Boards.</p> <p>Contract period 2 years (1st December 2021 to 30th November 2023) with an option to extend for up to a further 12 months.</p> | ratification | £528,326 | 12/10/2021 | 17/12/2021 | n/a | n/a |

| | | | | | | | |
|-----|--|--------------|-------------|------------|----------------------------------|-------------------|-------------------|
| 13. | BCU Constructor contractor framework <i>The Health Board and the Ambulance Trust require a flexible contracting arrangement to support the Capital Development Teams. The Health Board and Ambulance Trust aim to appoint suitable consultants to provide support for construction projects</i> Contract period Three years with an option to extend by a further 12 months (3+1) | ratification | £31,200,000 | 13/10/2021 | 19/10/2021 | trust gov applies | trust gov applies |
| 14. | DHCW O365 and cloud services As the programme nears its completion, DHCW are in the process of establishing a national Microsoft 365 Centre of Excellence (CoE) to provide long-term and sustainable support and development of the platform. Contract period 01 February 2022 and expiry 31 January 2025, with the option to extend for a further two (2) years, up to 31 January 2027 | briefing | £6,452,700 | 14/10/2021 | 25/10/2021 | n/a | n/a |
| 15. | Anti-retrovirals To contract for Anti-Retroviral Drugs to purchase for use by All Wales hospital pharmacy departments, as requested by the All Wales Drug Contracting Committee Contract period 01/02/2022 to 31/01/2024 (2 years) with an option to extend for a further 24 months to 31/01/2026 (2 years) | ratification | £24,899,339 | 04/11/2021 | 17/11/2021 | 17/11/2021 | 17/11/2021 |
| 16. | Surgically Implanted Breast Prostheses A Framework Agreement to cover Health Boards and Trusts in Wales for the supply of Surgically Implanted Breast Prostheses Contract period 3 Years : 1 st November 2021 – 31 st October 2024, with option to extend further 12 months | ratification | £1,199,346 | 26/10/2021 | 18/11/2021 | 18/11/2021 | 18/11/2021 |
| 17. | DHCW Citrix Software and support (NPS) The contract is for the provision of Citrix software and associated support. The specific provision is to cover the transition from on-premises perpetual licensing to Citrix Cloud enabled subscription-based licensing. In addition to the software requirements there are also optional requirements for Technical Training and Consultancy to cover the transition of services to the Citrix Cloud. Contract period 1 st January 2022 to 31 st December 2024 with an option to extend for a further 12 months | ratification | £1,524,427 | 26/10/2021 | 10/11/2021 | trust gov applies | trust gov applies |
| 18. | Taxi Services The contract is for the supply of Taxi, Private Hire and Light Courier Services to NHS sites in South Wales Contract period 01/02/2018 to 31/01/2022, 01/02/2022 to 31/01/2023 (1 year) | extension | £4,515,294 | 02/11/2021 | original approval applies 5/2/18 | 02/11/2021 | 02/11/2021 |

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| 19. | DHCW WPAS Server Infrastructure The Patient Administration System for Wales (WelshPAS or WPAS) holds patient identification details, and records details of patients' hospital visits, including waiting list management, medical records, inpatient treatment, outpatient appointments and emergency visits. Contract period <i>Five (5) years, to commence 1st December 2021 to 30th November 2026 for the support and warranty.</i> | ratification | £980,099 | 04/11/2021 | 10/11/2021 | trust gov applies | trust gov applies |
| 20. | Proprietary Drugs Proprietary Drugs are branded lines that are protected by a patent which can be produced only by the patent owner. This tender will focus on these patented drugs, but may include some drugs which are due to lose their patent protection. Contract period 01.07.2022 – 30.06.2024 (with the option to extend up to a further 24months to 30.06.2026) | briefing | £261,718,904 | 04/11/2021 | 11/11/2021 | n/a | n/a |
| 21. | Generic Drugs tablets & capsules This contract is for the re-tender of the current Generic Tablets & Capsules and Generic Tablets & Capsules 2 contracts, which are due to end on 31st January 2022. They will be combined into one larger contract in order to utilise greater economies of scale and streamline the contract management process. After a recent review of the current Proprietary Drugs 1 contract, during the extension process, there was also the decision taken to move some of those lines to this new contract as they now have generic competition available, which will help drive prices down. Contract period_01/02/2022 to 31/01/2024 (2 years) with an option to extend for a further 24 months to 31/01/2026 (2 years) | ratification | £19,138,012 | 04/11/2021 | 05/01/22 | 06/01/22 | Sent to TM 06/01 |
| 22. | General Medical & Assessment Consumables This contract was originally created as a way of classifying a diverse range of high usage products that could not be easily categorised under existing contracts. Work during the previous Tender exercise moved a variety of items to new and existing contracts such as the ENT Patient Assessment & Examination Consumables contract. E-Class strategy work carried out over the last 12 months has highlighted further the true scope of the contract with the re-tender being the opportunity to move lines to their correct category Contract period 4 years, 1 st December 2021 – 30 th November 2025 | ratification | £2,942,052 | 10/11/2021 | 19/11/2021 | 19/11/2021 | 19/11/2021 |

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| 23. | Medical Consumables Commercial Storage Facilities & Distribution Services To provide additional warehousing capacity within NHS Wales. Contract period 01/12/2021 - 30/11/2022, With an option to extend by up to a further 12 months. | ratification | £1,986,000 | 09/11/2021 | 17/11/2021 | 17/11/2021 | 17/11/2021 |
| 24. | SBU Outsourcing of Clinical Facility To address the critical capacity issues the Health Board is experiencing, which is affecting the delivery of important procedures and appropriate care to patients Contract period 29/11/2021 – 28/11/2022 | ratification | £3,157,650 | 18/11/2021 | 24/11/2021 | trust gov applies | trust gov applies |
| 25. | Patient Temperature Management Effective and continuous patient temperature management assist's in protecting patients from becoming Hypothermic or Hyperthermic, an abnormally low or high core body temperature. Patient temperature management aims to maintain normal levels at all times between 36.5°C and 37.5°C. Following procedures, inadvertent perioperative hypothermia can lead to an increased rate of wound infection, morbid cardiac events, pressure sores, and can lead to longer stays in both recovery and hospital. Contract period 4 Years (1st December 2021 – 30th November 2025) | ratification | £2,302,160 | 10/11/2021 | 14/12/2021 | 14/12/2021 | 23/12/2021 |
| 26. | DHCW eJournals There is a recognised need for clinicians to access up to date information and searching tools to enable them to provide the best evidence- based care to patients. The provision of e-journals will provide academic resources to support the training of trainee doctors, dentists and other healthcare professionals as well as support the continuous professional development and NHS Wales clinicians. The e-journal resources are being put in place to provide equitable access and content resources, both on site and remotely, across a wide range of user groups, and organisation wide so that variations between different NHS Wales's organisations are minimised Contract period One (1) year, to commence from 1 st January 2022 to 31 st December 2022 | ratification | £1,149,429 | 18/11/2021 | 29/11/2021 | trust gov applies | trust gov applies |
| 27. | DHCW API Management Digital Health and Care Wales require an API Management solution that will support modernisation and standardisation of API security and enable a wider range of applications to connect to national APIs. This includes applications managed by NHS Wales and hosted within the internal network, as well as applications | ratification | £722,275 | 18/11/2021 | 09/12/2021 | n/a | n/a |

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| | <p>managed by external software vendors and hosted with public cloud providers. In addition to the API Management Platform Digital Health and Care Wales require professional services to assist and support Digital Health and Care Wales with the initial set up, deployment and integration of the API Management Platform.</p> <p>Contract period Three (3) years, to commence 1st December 2021 to 30th November 2024, with the option to extend for a further twelve (12) months</p> | | | | | | |
| 28. | <p>DHCW Evidence Summaries To procure evidence summaries which are a component part of the e-library suite of resources The NHS Wales e-Library's vision is to provide and promote access to current digital resources from students on placement to professionals, experts and specialists in their field to support best practice, innovation and continuous professional development across NHS Wales and eligible organisations.</p> <p>Contract period_1st January 2022 to 31st December 2023, with the option to extend for a further twelve (12) months</p> | ratification | £2,545,887 | 18/11/2021 | 29/11/2021 | trust gov applies | trust gov applies |
| 29. | <p>HDDA Braun pumps Purchase and Implementation of replacement B Braun Infusion Pumps and accessories for all acute sites within Hywel Dda UHB, See the attached SBAR Contract period Delivery is anticipated to be made in February 2022</p> | ratification | £1,419,500 | 22/11/2021 | 07/12/2021 | trust gov applies | trust gov applies |
| 30. | <p>SBU Reconfiguration of Enfys ward @ Murryston The purpose of this contract is to procure, build and commission arrangements to develop the Enfys Ward (and co-located existing space) at Murryston Hospital to establish an Ambulatory Emergency Care and an Acute Medical Assessment Unit.</p> <p>Contract period_20 weeks, Work to be completed by 31st of March 2022</p> | ratification | £2,208,716 | 22/11/2021 | 24/11/2021 | trust gov applies | trust gov applies |
| 31. | <p>Wheelchair supply Contract will include 25 lots including powered and non-powered adult wheelchairs, paediatric wheelchairs and buggies. All lots will include associated accessories and spare parts.</p> <p>Contract period 2 Years (with an option to extend for a further 2 years) 1st September 2022- 31st August 2026</p> | briefing | £11,874,056 | 22/11/2021 | 30/11/2021 | n/a | n/a |
| 32. | <p>BCU Automated Blood Sciences Managed Service Contract Provision of an MSC providing equipment, installation and commissioning, user training, maintenance, reagents and consumables for Blood Sciences Biochemistry services at the</p> | ratification | £21,694,218 | 24/11/2021 | 20/12/2021 | trust gov applies | trust gov applies |

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| | three Health Board DGH sites, Ysbyty Gwynedd, Ysbyty Glan Clwyd & Ysbyty Maelor Wrexham. Contract period_8 Years with option to extend for a further 7 Years. Expected start date of 1 st April 2022. | | | | | | |
| 33. | BCU Provision of PET CT scanning to the population of North Wales PET CT is a form of specialised medical imaging involving the administration of radiopharmaceuticals and, in Wales, is a service commissioned by the Welsh Health Specialist Services Committee (WHSSC). The availability of PET imaging is crucial in the management of a variety of diseases but particularly cancer. PET CT scans can provide greater staging certainty, increasing the likelihood of the correct therapeutic treatment option being chosen and reducing the use of sometimes unnecessary surgical approaches with high morbidity risks. PET CT has been shown to change proposed treatment in around 40% of cases. Stage certainty improves accuracy of cancer data sets which in turn allow outcomes to be more accurately attributed and understood. Contract period_01.01 2022 to 31.12.2022 with the option to extend for a further 3 years on an annual basis | ratification | £4,509,804 | 25/11/2021 | 07/12/2021 | trust gov applies | trust gov applies |
| 34. | CTM Virtual outpatients The purpose of this contract is to provide Virtual Outpatient Services to address the volume of backlog of patients that have been referred from Primary Care to be consulted within Outpatients, to be triaged and identify the right diagnostic and treatment pathway following referral Contract period 13 th December 2021 – 31 st March – 2022 (Contract implementation during December, service to start from 1 st January 2022) | ratification | £760,104 | 01/12/2021 | 16/12/2021 | trust gov applies | trust gov applies |
| 35. | DHCW Consent Documentation Library Within NHS Wales, The Welsh Risk Pool has operated a Consent Documentation Library and e-learning package, as an all-Wales service on behalf of health bodies, for a number of years and wishes to re-procure a library of approved documents and education programme. It is important that the leaflets are regularly updated and reflect the current treatment options provided within Wales. Further details are provided in the attached ratification paper. Contract period 1 st March 2022 – 29 th February 2024 with options to extend for 2 years plus an additional 1 year (5 years in total) | ratification | £981,950 | 29/11/2021 | 10/12/2021 | trust gov applies | trust gov applies |

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| 36. | Wound Management products Wound Management is regarded as an ongoing treatment of a wound by providing an appropriate environment for healing, via both direct and indirect methods, together with the prevention of skin breakdown. The existing Wound Management contract currently contains a wide range of products predominately utilised by Tissue Viability Nurses (TVNs), and other specialists in wound care. The contract does not include products specific for surgical use (such as ported dressings) or dressings products intended for different uses, such as plaster of Paris dressings for casting. It also excludes "simpler" products such as basic plasters. All of the exclusions listed above are covered under other associated dressings contracts. Contract period 01/01/2023 – 31/12/2028 (incl. 1 year extension) | briefing | £19,510,500 | 01/12/2021 | 20/12/2021 | n/a | n/a |
| 37. | Podiatry Products The Contract will cover podiatry products including foot orthoses (insoles), digit gel protection, padding material, orthotic components, adhesives, CAM blocks and sheet material Contract period The Contract is for 4 years with no options to extend 01/01/22 – 31/12/2025 | ratification | £1,195,888 | 03/12/2021 | 14/12/2021 | 14/12/2021 | 23/12/2021 |
| 38. | Insulin Pumps, CGM, Associated Tech and Consumables A Framework Agreement to cover Health Boards and Trusts in Wales for the supply of Insulin Pumps, Continuous Glucose Monitoring (CGM), associated Consumables and Technology Contract period_3 Years: 1 st February 2022 – 31 st January 2025 with option to extend further 12 months | ratification | £29,699,004 | 07/12/2021 | 17/12/2021 | 17/12/2021 | 23/12/2021 |
| 39. | DHCW Radiology Informatics system Digital Health and Care Wales ("DHCW") has been asked to by the Radiology Informatics System Procurement ("RISP") Programme, run by the NHS Wales Collaborative, to be the Contracting Authority for the procurement of the replacement national solution. The primary objective of the procurement is to invest in a new Radiology Informatics Solution for NHS Wales. Contract period January 2023 and expire December 2027, with the option to extend to December 2028 | briefing | £56,000,000 | 08/12/2021 | 17/12/2021 | trust gov applies | trust gov applies |
| 40. | CVU Air handling and air conditioning units maintenance provision for Air Handling and Air Conditioning Units Maintenance was in the format of two individual contracts, put in place by the Capital Estates and Facilities Department | briefing | £2,750,000 | 15/12/2021 | 20/12/2021 | n/a | n/a |

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| | (CEF) via two individual four quote exercises. There was no Procurement involvement in either process. The most advantageous quote received was awarded a contract. These individual contracts have now expired and a new provision is required. After discussion between Procurement and CEF, it was decided to combine the two contracts and undertake a two Lot OJEU process. By undertaking this approach will align both contracts and ensure an open, fair and transparent process and ensure that procurement guidelines and governance has been implemented. Contract period 1st April 2022 for 3 years with the option to extend for a further one year. | | | | | | |
| 41. | SBU Overseas nurse recruitment To recruit 70 additional overseas registered nurses in financial year 21-22. The nurses will be recruited specifically to fill hard to recruit to vacancies in Morriston Hospital, Neonatal Intensive Care and other areas identified as a priority. Contract period Dec 2021 – March 2022 | ratification | £1,118,860 | 07/12/2021 | 15/12/2021 | trust gov applies | trust gov applies |
| 42. | IMHA Extension The Mental Health Act 2007 made amendments to the Mental Health Act 1983 (the Act) and introduced a statutory duty for Health Boards in Wales to commission Independent Mental Health Advocacy (IMHA) services for qualifying hospital patients under compulsion of the Act. Health Board's currently receive funding from the Welsh Government to aid this service requirement; this is ring-fenced money to ensure that the service is delivered to the NHS in Wales. The purpose of the IMHA service is to provide assistance to qualifying patients to ensure that they understand the legal procedures of the Act and the rights and safeguards to which they are entitled Contract period 1 April 2019 – 31 March 2022 (extended until 31 March 2023) | extension | £10,653,116 | 13/12/2021 | original approval applies 22/9/15 | 14/12/2021 | 23/12/2021 |
| 43. | WBS Apheresis Collection Systems Supply of apheresis collection systems and consumables for collection of platelets. Apheresis procedures allow the collection of a single, double, or triple adult therapeutic dose of platelets from one donor. Apheresis machines collect whole blood and separate it into its component parts. As the platelets are collected, the other blood components are returned to the donor Contract period 1 st March 2022 for 7 years with the option to extend for a further 3 x 12 months | ratification | £1,925,060 | 15/12/2021 | sent to WG 16/12 | | |

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| 44. | Motor fleet insurance CTM/SBU To provide motor insurance cover for commercial and lease cars for Cwm Taf and Swansea Bay University Health Boards. Contract period 2 years (1 st December 2021 to 30 th November 2023) with an option to extend for up to a further 12 months. | ratification | £560,339 | 14/12/2021 | sent to WG 14/12 | | |
| 45. | VEL HPV LBC Sampling consumables Provision of Human Papilloma Virus (HPV) Testing and Liquid Based Cytology (LBC) Sampling Consumables and Testing for Cervical Screening Wales Contracts period 1st February 2022 to 31st January 2025 with two optional 12-month extensions | ratification | £ 6,133,616 | 17/12/2021 | sent to WG 17/12 | | |
| 46. | IV & Irrigation Solutions To contract for IV Fluids & Irrigation Solutions Items to purchase for use by All Wales hospital pharmacy departments, as requested by the All Wales Drug Contracting Committee. Contract period 01/02/2022 to 31/01/2024 (2 years) with an option to extend for a further 24 months to 30/06/2026 (2 years) | ratification | £13,525,414 | 15/12/2021 | sent to WG 15/12 | | |
| 47. | CVU CAMHS Clinical assessment and intervention resource Community Child Health have secured additional funding until the 31 st March 2022 to implement additional clinical resource for their increased waiting lists due to the pandemic. Turnaround times for treatments are being prolonged potentially leading to further issues which will be detrimental to children and young people's health, mental health and wellbeing. This additional funding would provide assessment and therapeutic interventions that is delivered through a digital platform Contract period From award until the 31 st March 2022 | ratification | £2,400,000 | 15/12/2021 | 20/12/2021 | trust gov applies | trust gov applies |
| 48. | CVU Next Gen Sequencing consumables AWMGS is an NHS specialist regional health service to help and support patients in Wales who have generic conditions. The AWMGL have purchased; two MiSeqs, two NextSeqs, and a NovaSeq 6000 from Illumina which allow for high-throughput DNA sequencing to determine the entire genomic sequence of a person providing the AWMGS the ability to deliver on their Genomics Strategy for Wales whilst expending their test directory to provide a more efficient, effective and targeted service and diagnostics. Due to patented technology, the reagents required to support these sequencers are only | briefing | £6,542,719 | 17/12/2021 | query sent in 20/12 | | |

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| | available from Illumina Cambridge UK and therefore no other provider can support. Contract period 01/02/22 – 31/01/24 | | | | | | |
| 49. | HDDA Pharmacy Robots Purchase and Implementation of replacement Pharmacy Dispensing Robots with a Turnkey solution for enabling Works for Bronglais General Hospital and Withybush General Hospital. (one Robot at each site) Contract period The scheme will be fully complete during the 2022/23 Financial year. | ratification | £1,006,760 | 14/12/2021 | 20/12/2021 | trust gov applies | trust gov applies |
| 50. | DHCW TTT Telephony system Provision of resources to support the development of the required functionality of the fully integrated Contact Tracing system in line with Welsh Government Policy and management of the Covid pandemic. contract period June 2022 and expire May 2023, with the option to extend to May 2025 | briefing | £4,500,000 | 23/12/2021 | sent to WG 23/12 | | |
| 51. | SBU Insourcing of Gastroenterology Services To provide additional capacity to help reduce Gastroenterology outpatient waiting times contract period 6 months | ratification | £644,728 | 23/12/2021 | sent to WG 23/12 | | |
| 52. | SBU Insourcing of Endoscopy Services To provide additional capacity to help reduce Endoscopy outpatient waiting times. contract period 5 months | ratification | £706,752 | 23/12/2021 | sent to WG 23/12 | | |
| 53. | HDDA Haematology & Coagulation Managed service Pathology has implemented an integrated Blood Sciences strategy delivered as a network across the four laboratory sites within the Acute Hospitals. This managed service contract procurement is a central requirement to support this strategy and it is essential that the equipment and service requirements are to be specified to meet service delivery needs. The procurement tender will require the successful supplier to provide a managed service that will deliver the quantity and range of Haematology and Coagulation testing required by the Health Board. Contract period 7 years plus 2 x 1 year extension options | ratification | £3,720,072 | 20/12/2021 | sent to WG 22/12 | | |
| 54. | DHCW Specialist resources for O365 and cloud transformation services provision specialist resources with the breadth of expertise in Microsoft technologies required to meet the evolving requirements of DHCW Contract period 1 st February 2022 and expire 31 st January 2025, with the option to extend for a further two (2) Years | ratification | £6,500,000 | 22/12/2021 | sent to WG 22/12 | | |
| 55. | BCU Refurb of space at Ty Elwy The Trust require a contractor to carry out Resilience Works and Internal | ratification | £881,214 | 23/12/2021 | sent to WG 23/12 | | |

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| | Alterations at Ty Elwy, 111 Call Centre. The work will consist of Internal alterations and installation of UPS and generators Contract period 2 months | | | | | | |
| 56. | Generic Drugs Injections-Infusions This contract has been created to align all three of the current Generic Drugs – Injections/Infusions contracts into one contract. All of the current contracts come to an end on the 30 th June 2022 Contract period 01/07/2022 to 30/06/2024 (with option to extend for a further 24 months to 30/06/2026) | briefing | £32,219,129 | 23/12/2021 | sent to WG 23/12 | | |
| 57. | Radiotherapy Services COVID 19 resulted in significantly reduced attendance at GP surgeries and A & E with referrals to VCC dropping by 75% during March 2020. With cancer referrals returning to their previous levels, in addition to deferred presentations due to the pandemic, the suppressed demand increased referrals and resulted in a need to outsource Radiotherapy services on an ad hoc basis (non-committal) basis. Radiotherapy services have been outsourced for clinically viable prostate and breast cancer treatments. Contract period 4th January 2021 to 3rd January 2022 extended to 3rd January 2023 | extension | £2,163,000 | 23/12/2021 | ORIGINAL APPROVAL APPLIES 14/1/21 | 23/12/2021 | 23/12/2021 |
| 58. | Overseas nurse recruitment To provide a once for Wales service to recruit international Nurse to NHS Wales Contract period 1 st January 2022 to 31 st December 2022. | ratification | £4,360,000 | 23/12/2021 | 31/12/2021 | 31/12/2021 | 31/12/2021 |
| 59. | CAMHs service This contract is to provide both initial assessments and therapy packages for CAMHs services across North Wales. Welsh Government targets are that 80% of assessments are undertaken within 28 days of receipt of referral and that 80% of therapy packages are commenced within 28 days of the assessment undertaken. There are currently 501 children and young people waiting for an initial assessment with 339 waiting for commencement of a therapy package. Contract period January 2022 – December 2023, with possible extension until December 2024 | ratification | £1,428,398 | CS 04/01/22 | sent to WG 04/01 | | |

Appendix A

Bridgend Stores Out of Date Stock April 2019-March 2020

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|--------|--|-----|------------------|
| 11-Apr-19 | 23.00 | AHL001 | FRUIT COCKTAIL IN NATURAL JUICE KC1 | EA | 23 |
| 15-May-19 | 50.59 | ALD016 | FLOUR SELF RAISING 12.5KG | EA | 13 |
| 23-May-19 | 94.22 | FDK153 | *** DISCONTINUED INSUFFICIENT USAGE *** PAD DIATHERMY DISPOSABLE PAEDIATRIC(BOX 50) : 2405M | BOX | 4 |
| 10-Jun-19 | 0.99 | AEB084 | BREAKFAST CEREAL SPECIAL K 30g | EA | 4 |
| 13-Jun-19 | 2.16 | FMM105 | SELECT BAG ONE AX275G (HIGH CA) 333 : 112636 | EA | 1 |
| 13-Jun-19 | 2.05 | AHG162 | APPLE SOLID PACK A10 / 2.6KG | EA | 1 |
| 13-Jun-19 | 1.47 | AJQ166 | TOMATOES CHOPPED A10 | EA | 1 |
| 15-Jun-19 | 36.90 | AEB047 | BREAKFAST CEREAL SHREDDED WHEAT 12'S | EA | 31 |
| 10-Jul-19 | 32.70 | AEV059 | PASTA TAGLIATELLE 3KG | EA | 6 |
| 10-Jul-19 | 307.11 | ABT521 | BABY MILK NUTRIPREM 2 SPEC INFANT CARE PLASTIC BOTTLE 90ML (CASE 24) : 141C | CSE | 29 |
| 20-Jul-19 | 16.04 | ADC284 | BISCUITS SWEET INDIVIDUAL ASSORTED MINI PACKS (CASE 100) | CSE | 2 |
| 31-Jul-19 | 779.54 | FSB361 | *** DISCONTINUED INSUFFICIENT USAGE *** DEDICATED INFUSION SET SINGLE SPIKE BLOOD (ALARIS) : SE71980 | EA | 70 |
| 30-Aug-19 | 30.49 | AJC099 | *** DISCONTINUED ISSUE AJF657 AS ALTERNATIVE *** POTATO MIX COMPLETE (FOIL BAG) 2.25KG | EA | 5 |
| 05-Sep-19 | 6.10 | AJC099 | *** DISCONTINUED ISSUE AJF657 AS ALTERNATIVE *** POTATO MIX COMPLETE (FOIL BAG) 2.25KG | EA | 1 |
| 10-Sep-19 | 34.80 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 25 |
| 11-Sep-19 | 103.68 | ALQ210 | PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 24 |
| 11-Sep-19 | 34.56 | ALQ210 | PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 8 |
| 26-Sep-19 | 22.44 | ABE033 | BABY DINNER BABY BALANCE MEAL COW & GATE ASSORTED 200G | EA | 36 |
| 02-Oct-19 | 119.81 | MRB099 | HAND SANITISER LIQUID ALCOHOL RUB WALL MOUNT 1000ML : CAG392 | EA | 32 |
| 14-Oct-19 | 20.26 | ABT526 | BABY MILK INFANT LOW BIRTH WEIGHT RTF NUTRIPREM 70ML (CASE 24) | CSE | 2 |
| 18-Oct-19 | 6.96 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 5 |
| 04-Nov-19 | 172.36 | ALU256 | JELLY CRYSTALS ORANGE SWEETENED 3.5KG | EA | 31 |
| 04-Nov-19 | 544.45 | KFX014 | *** DISCONTINUED INSUFFICIENT USAGE *** LOOP INOCULATION STERILE 10UL (PACK 48) : 86.1562.050 | PCK | 945 |
| 05-Nov-19 | 22.92 | AKM345 | *** DELETED - NO DEMAND *** MOUSSE INSTANT LEMON 24 PORTIONS | EA | 12 |
| 06-Nov-19 | 202.60 | ABT526 | BABY MILK INFANT LOW BIRTH WEIGHT RTF NUTRIPREM 70ML (CASE 24) | CSE | 20 |
| 07-Nov-19 | 50.59 | ALD016 | FLOUR SELF RAISING 12.5KG | EA | 13 |
| 13-Nov-19 | 7.74 | AHR756 | PEARS IN NATURAL JUICE KC1 800g | EA | 6 |
| 13-Dec-19 | 282.90 | ANK200 | SAUCE BROWN INDIVIDUAL PORTIONS 10g (BOX 200) | BOX | 115 |
| 13-Dec-19 | 377.76 | ENI033 | SWAB GAUZE BP TYPE 13 LIGHT WHITE 12PLY 5CM X 5CM (100) : F8720025 | PCK | 750 |
| 31-Dec-19 | 15.68 | AEB084 | BREAKFAST CEREAL SPECIAL K 30g | EA | 63 |
| 02-Jan-20 | 104.00 | AHL001 | FRUIT COCKTAIL IN NATURAL JUICE KC1 | EA | 104 |
| 10-Jan-20 | 10.80 | ANK751 | SAUCE SOYA DARK 150ML | EA | 18 |
| 10-Jan-20 | 6.00 | AHL001 | FRUIT COCKTAIL IN NATURAL JUICE KC1 | EA | 6 |
| 10-Jan-20 | 11.29 | AEB047 | BREAKFAST CEREAL SHREDDED WHEAT 12'S | EA | 9 |
| 10-Jan-20 | 22.14 | ANK200 | SAUCE BROWN INDIVIDUAL PORTIONS 10g (BOX 200) | BOX | 9 |
| 10-Jan-20 | 8.71 | AEB084 | BREAKFAST CEREAL SPECIAL K 30g | EA | 35 |
| 29-Jan-20 | 141.70 | ADB006 | BISCUITS DIGESTIVE 400g | EA | 218 |
| 03-Feb-20 | 188.45 | FDK153 | *** DISCONTINUED INSUFFICIENT USAGE *** PAD DIATHERMY DISPOSABLE PAEDIATRIC(BOX 50) : 2405M | BOX | 8 |
| 05-Feb-20 | 15.60 | ADB006 | BISCUITS DIGESTIVE 400g | EA | 24 |
| 17-Feb-20 | 31.00 | AHL001 | FRUIT COCKTAIL IN NATURAL JUICE KC1 | EA | 31 |
| 11-Mar-20 | 21.93 | AEB084 | BREAKFAST CEREAL SPECIAL K 30g | EA | 88 |
| Total | 3,964.49 | | | | 2828 |

Appendix B

Denbigh Stores Out of Date Stock April 2019-March 2020

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|--------|---|-----|------------------|
| 29-Apr-19 | 99.80 | ANC800 | MAYONNAISE LOW CALORIE 5KG | EA | 20 |
| 10-Sep-19 | 125.61 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 13 |
| 10-Sep-19 | 9.66 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 1 |
| 10-Sep-19 | 77.30 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 8 |
| 10-Sep-19 | 154.59 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 16 |
| 10-Sep-19 | 154.59 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 16 |
| 10-Sep-19 | 28.99 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 3 |
| 11-Sep-19 | 135.27 | ABT000 | *** DISCONTINUED INSUFFICIENT USAGE *** BABY FOOD RTF APTAMIL 70ML (CASE 24) | CSE | 14 |
| 13-Dec-19 | 98.60 | ENI123 | *** DISCONTINUED INSUFFICIENT USAGE *** SWAB GAUZE BPC BLUE 12PLY 10 X 10CM (PACK 100) : 7009 | PCK | 50 |
| Total | 884.41 | | | | 141 |

Appendix C

Cwmbran Stores Out of Date Stock April 2019-March 2020

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|---------|--|-----|------------------|
| 09-Apr-19 | 156.00 | AEB032 | *** DISCONTINUED NOT REQUIRED *** BREAKFAST CEREAL BRAN FLAKES 40g | EA | 780 |
| 09-May-19 | 136.08 | AUP206 | *** DISCONTINUED NOT REQUIRED *** MARMALADE ORANGE 454g | EA | 216 |
| 13-May-19 | 143.20 | CFP800 | *** DISCONTINUED NOT REQUIRED *** BED PAD WASHABLE P&S SINGLE 70CM X 90CM : 2503B | EA | 10 |
| 16-May-19 | 839.00 | FWM100 | *TUBE FEED NASOGASTRIC 10FG X 80-92CM FINE BORE LONG TERM POLYURETHENE X-RAY DETECT GUIDEWIRE UNWEIGHTED SINGLE USE ENFIT : SFT10-85 | EA | 100 |
| 19-Jun-19 | 9.80 | ABT0120 | BABY FOOD NUTRIPREM 2 800GM : 133040 | EA | 1 |
| 29-Jun-19 | 106.08 | ALU356 | JELLY CRYSTALS STRAWBERRY SWEETENED 3.5KG | EA | 17 |
| 11-Sep-19 | 61.20 | DFD0178 | TUBE ET ORAL PREFORMED SOUTH FACING CUFFED 7.5MM : S65-22215 | EA | 17 |
| Total | 1,451.36 | | | | 1403 |

Appendix D

IP5 Stores Out of Date Stock April 2019-March 2020

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|---------|--|-----|------------------|
| 22-Oct-19 | 2,248.08 | KFK0358 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 100) : 363095 | BOX | 323 |
| 24-Oct-19 | 696.00 | KFK0358 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 100) : 363095 | BOX | 100 |
| 12-Nov-19 | 91.17 | ABT0526 | BABY MILK PREPARED FEED C&G RTF NUTRIPREM 1 14IB LOW BIRTHWEIGHT (CASE 24) | CSE | 9 |
| 13-Dec-19 | 1,024.08 | KCM424 | TUBE K2 EDTA 13 X 75MM 4ML LAVENDER CAP (BOX 100) : 367839 | BOX | 240 |
| 17-Dec-19 | 2,714.40 | KFK752 | TUBE CITRATE 13X75MM 2.7ML LIGHT BLUE CAP (PACK 100) : 363095 | PCK | 390 |
| 18-Dec-19 | 2,157.60 | KFK0358 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 100) : 363095 | BOX | 310 |
| 30-Dec-19 | 172.21 | ABT0526 | BABY MILK PREPARED FEED C&G RTF NUTRIPREM 1 14IB LOW BIRTHWEIGHT (CASE 24) | CSE | 17 |
| 02-Jan-20 | 69.60 | KFK0358 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 100) : 363095 | BOX | 10 |
| 17-Jan-20 | 149.41 | ALQ210 | PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 34 |
| Total | 9,322.55 | | | | 1433 |

Appendix E

Bridgend Stores Out of Date Stock April 2020-March 2021

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|--------|--|-----|------------------|
| 02-Apr-20 | 12.24 | FSB057 | *** DISCONTINUED NOT REQUIRED *** SET SOLUTION SECONDARY (USE WITH FSB641)15-20 D/ML : EMC0429 | EA | 10 |
| 07-Apr-20 | 85 | AHL001 | FRUIT COCKTAIL IN NATURAL JUICE KC1 | EA | 85 |
| 30-Apr-20 | 1427.59 | HHD733 | SWAB TRANSPORT STERILE CHARCOAL MEDIUM BLACK CAP (PACK 50) : 18114CST | PCK | 160 |
| 04-May-20 | 88.81 | KFK168 | TUBE SERUM SILICA CLOT ACTIVATOR 13 X 100MM 6ML RED CAP (PACK 100) : 367837 | PCK | 20 |
| 15-May-20 | 1186.8 | KFK277 | TUBE CROSSMATCH K2 EDTA 13 X 100MM 6ML PINK CAP (PACK 100) : 367924 | PCK | 230 |
| 12-Jun-20 | 2937.6 | KFK195 | TUBE SSTII ADVANCE SILICA CLOT ACTIVATOR 13X75MM 3.5ML GOLD CAP (PK 100): 367956 | PCK | 480 |
| 07-Jul-20 | 831.5 | BTP171 | FACE MASK FIT TEST SOLUTION SODIUM SACCHARIN 100ML BOTTLE | EA | 192 |
| 07-Jul-20 | 146.94 | AHT532 | RHUBARB SOLID PACK 2.86g | EA | 54 |
| 07-Jul-20 | 249.41 | ACT003 | MAXPAX TEA LEAF WHITE W/O SUGAR (PACK 25) | PCK | 105 |
| 07-Jul-20 | 488 | AMS035 | BOUILLON MIX CHICKEN 3.5KG: 18928007 | EA | 50 |
| 08-Jul-20 | 26.74 | AKM345 | *** DELETED - NO DEMAND *** MOUSSE INSTANT LEMON 24 PORTIONS | EA | 14 |
| 08-Jul-20 | 13.8 | AEB047 | BREAKFAST CEREAL SHREDDED WHEAT 12'S | EA | 11 |
| 08-Jul-20 | 6.27 | AEB047 | BREAKFAST CEREAL SHREDDED WHEAT 12'S | EA | 5 |
| 10-Jul-20 | 535.92 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 385 |
| 01-Aug-20 | 1325.18 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 952 |
| 01-Aug-20 | 319.98 | BTP171 | FACE MASK FIT TEST SOLUTION SODIUM SACCHARIN 100ML BOTTLE | EA | 55 |
| 11-Aug-20 | 291.96 | AHB808 | SULTANAS 3KG | EA | 60 |
| 21-Aug-20 | 58.26 | AKM070 | DESSERT MIX BANANA (ANGEL DELIGHT) 24 SERVINGS | EA | 24 |
| 27-Aug-20 | 52.39 | AEB084 | BREAKFAST CEREAL SPECIAL K 30g | EA | 210 |
| 27-Aug-20 | 40.52 | ABT526 | BABY MILK INFANT LOW BIRTH WEIGHT RTF NUTRIPREM 70ML (CASE 24) | CSE | 4 |
| 27-Aug-20 | 89.82 | ANC089 | MAYONNAISE LOW CALORIE 5KG | EA | 18 |
| 27-Aug-20 | 81.04 | ABT526 | BABY MILK INFANT LOW BIRTH WEIGHT RTF NUTRIPREM 70ML (CASE 24) | CSE | 8 |
| 07-Sep-20 | 330.55 | AHS376 | PINEAPPLE RINGS IN NATURAL JUICE 3KG | EA | 150 |
| 09-Sep-20 | 31.56 | AEB021 | BREAKFAST CEREAL FRUIT & FIBRE 50g | EA | 161 |
| 14-Sep-20 | 231.26 | FTR712 | *** DISCONTINUED NOT REQUIRED *** NEEDLE HYPODERMIC SAFETY 22G 1 1/4" 32MM GREY HUB (BOX 100) : 305887 | BOX | 33 |
| 14-Sep-20 | 217.25 | FTR710 | *** DISCONTINUED NOT REQUIRED *** NEEDLE HYPODERMIC SAFETY 20G 1in 25MM YELLOW HUB (BOX 100) : 305899 | BOX | 31 |
| 18-Sep-20 | 315.36 | FTR714 | *** DISCONTINUED NOT REQUIRED *** NEEDLE HYPODERMIC SAFETY 27G 3/4ins 19MM GREY HUB (BOX 100) : 305889 | BOX | 45 |
| 07-Oct-20 | 93.93 | EQA013 | PAD EYE PLAIN BP NON STERILE 8CM X 6CM (BOX 25) : 1150 | BOX | 91 |
| 09-Oct-20 | 137.67 | ACC002 | MAXPAX CHOCOLATE DRINKING (SUCHARD) (PACK 25) | PCK | 45 |
| 09-Oct-20 | 30.11 | FSL268 | BRUSH NAIL C/W INTEGRAL SPONGE IODOPHOR : 4451GL | EA | 90 |
| 15-Oct-20 | 318.36 | ALQ210 | PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 55 |
| 15-Oct-20 | 14.12 | ELW210 | DRESSING FILM SEMI=PERMEABLE ADHESIVE IWS WITHOUT ABSORBENT PAD 4CM X 5CM (BOX 100) : 36590006 | BOX | 3 |
| 16-Oct-20 | 1292.05 | FSY739 | CATHETER TRACH SUCT & VAC ADULT/PAED 10CHX 60 (BOX 100) : U12048182 | BOX | 62 |
| 16-Oct-20 | 14.02 | FTR711 | NEEDLE HYPODERMIC SAFETY 21G 1in 25MM GREEN HUB (BOX 100) : 305894 | BOX | 2 |
| 27-Oct-20 | 10.36 | KFK900 | TUBE SST II ADVANCE SILICA CLOT ACTIVATOR 13 X 100MM 3.5ML RUST CAP (PACK 100) : 366127 | PCK | 2 |
| 02-Nov-20 | 144.07 | CFP938 | PAD INCO RECTANGULAR MIDI PLUS (PACK 28) : 5920020286 | PCK | 46 |
| 04-Nov-20 | 296.71 | BTP171 | FACE MASK FIT TEST SOLUTION SODIUM SACCHARIN 100ML BOTTLE | EA | 51 |
| 24-Nov-20 | 29.09 | BTP171 | FACE MASK FIT TEST SOLUTION SODIUM SACCHARIN 100ML BOTTLE | EA | 5 |
| 27-Nov-20 | 254.69 | ALQ210 | PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 44 |
| 27-Nov-20 | 34.89 | AEB021 | BREAKFAST CEREAL FRUIT & FIBRE 50g | EA | 178 |
| 30-Nov-20 | 101.96 | AKM013 | DESSERT MIX CHOCOLATE (ANGEL DELIGHT) 24 SERVINGS | EA | 42 |
| 11-Dec-20 | 1339.72 | ACT295 | TEA BAGS 1 CUP (PACK 440) | PCK | 180 |
| 11-Dec-20 | 1339.72 | ACT295 | TEA BAGS 1 CUP (PACK 440) | PCK | 180 |
| 11-Dec-20 | 1339.72 | ACT295 | TEA BAGS 1 CUP (PACK 440) | PCK | 180 |

| | | | | | |
|--------------|------------------|--------|---|-----|--------------|
| 11-Dec-20 | 15.04 | AMN020 | PEPPER PORTIONS (BOX 2000) | BOX | 4 |
| 11-Dec-20 | 323.36 | AMN020 | PEPPER PORTIONS (BOX 2000) | BOX | 86 |
| 12-Dec-20 | 375.12 | FSS100 | STABILISATION DEVICE FOR URETHRAL INDWELLING CATHETER, NON WOVEN POLYESTER ANCHOR DRESSING, STERILE : 40- | EA | 280 |
| 12-Dec-20 | 450.15 | EAF048 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 5CM X 3.6M (BLUE) : 84002B | EA | 190 |
| 12-Dec-20 | 422.4 | EKB035 | DRESSING IODINE IWS CADEXOMER OINTMENT 10G (BOX 4) : 66001298 | BOX | 20 |
| 12-Dec-20 | 222.93 | EAF044 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 10CM X 3.6M (WHITE) : 72280-03 | EA | 70 |
| 12-Dec-20 | 97.78 | ELY031 | DRESSING TRANSPARENT WATERPROOF SPRAY : SJ66004978 | EA | 12 |
| 12-Dec-20 | 1650.31 | EVN048 | PROCEDURE PACK ORTHOPAEDIC WADDING 7.5CM DWS : F1919012 | EA | 2100 |
| 06-Jan-21 | 230.4 | KFK600 | SAFETY BLOOD COLLECTION SET 21G 7in GREEN (PACK 50) : 367282 | PCK | 20 |
| 07-Jan-21 | 66.78 | FST403 | CATHETER URETHRAL INTERMITTENT ISC FEMALE 10FG : 28510 | EA | 159 |
| 14-Jan-21 | 20.67 | KFK900 | TUBE SST II ADVANCE SILICA CLOT ACTIVATOR 13 X 100MM 3.5ML RUST CAP (PACK 100) : 366127 | PCK | 4 |
| 21-Jan-21 | 237.12 | AMN012 | SALT PORTIONS (BOX 2000) | BOX | 114 |
| 21-Jan-21 | 529.21 | AWM002 | SWEETENER SACHET (PACK 1000) | PCK | 70 |
| 21-Jan-21 | 174.72 | AMN012 | SALT PORTIONS (BOX 2000) | BOX | 84 |
| 22-Jan-21 | 26.73 | EAF053 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 7.6CM X 3.6M (BLACK) : 72288-01 | EA | 10 |
| 22-Jan-21 | 1984.92 | MRB099 | HAND RUB ALCOHOL WALL MOUNT 1000ML : CAG392 | EA | 420 |
| 28-Jan-21 | 15.5 | ANK171 | MUSTARD ENGLISH INDIVIDUAL PORTIONS (BOX 200) | BOX | 5 |
| 04-Feb-21 | 64.13 | ACT003 | MAXPAX TEA LEAF WHITE W/O SUGAR (PACK 25) | PCK | 27 |
| 06-Feb-21 | 532.8 | FMM050 | RENALYTE ACID 6LT (A331) : F00000772 | EA | 185 |
| 12-Feb-21 | 81.27 | EAF055 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 7.6CM X 3.6M (PINK) : 72281-01 | EA | 30 |
| 12-Feb-21 | 225.85 | EAF043 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 10CM X 3.6M (RED) : 72285-02 | EA | 70 |
| 12-Feb-21 | 303.5 | EAF042 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 10CM X 3.6M (PINK) : 72281-02 | EA | 94 |
| 12-Feb-21 | 226.62 | EAF041 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 10CM X 3.6M (BLUE) : 72282-02 | EA | 70 |
| 12-Feb-21 | 387.69 | EAF040 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 10CM X 3.6M (BLACK) : 72288-02 | EA | 120 |
| 12-Feb-21 | 23.01 | EAF051 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 5CM X 3.6M (WHITE) : 72280-01 | EA | 10 |
| 12-Feb-21 | 292.31 | EAF054 | CASTING TAPE NON FIBREGLASS SEMI RIGID BLUE IW 7.6CM X 3.6M : 72282-01 | EA | 109 |
| 12-Feb-21 | 188.49 | EAF056 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 7.6CM X 3.6M (RED) : 72285-01 | EA | 70 |
| 12-Feb-21 | 376.59 | EAF046 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 12.5CM X 3.6M (WHITE) : 72280-04 | EA | 88 |
| 12-Feb-21 | 320.73 | EAF053 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 7.6CM X 3.6M (BLACK) : 72288-01 | EA | 120 |
| 12-Feb-21 | 22.81 | EAF049 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 5CM X 3.6M (PINK) : 72281-00 | EA | 10 |
| 12-Feb-21 | 789.62 | EAF058 | CASTING TAPE NON FIBREGLASS SEMI-RIGID IW 7.6CM X 3.6M (PURPLE) : 72286-01 | EA | 300 |
| 24-Feb-21 | 97.17 | EVN032 | PROCEDURE PACK ORTHOPAEDIC WADDING 15CM : F1919014 | EA | 93 |
| 25-Feb-21 | 56.38 | AEB084 | BREAKFAST CEREAL SPECIAL K 30g | EA | 226 |
| 25-Feb-21 | 2016.46 | EVN032 | PROCEDURE PACK ORTHOPAEDIC WADDING 15CM : F1919014 | EA | 1930 |
| 02-Mar-21 | 558.72 | KFK357 | TUBE FL-OX 13X75MM 2ML GREY CAP (PK 100): 368920 | PCK | 97 |
| 02-Mar-21 | 23.04 | KFK357 | TUBE FL-OX 13X75MM 2ML GREY CAP (PK 100): 368920 | PCK | 4 |
| 05-Mar-21 | 144.71 | ANC089 | MAYONNAISE LOW CALORIE 5KG | EA | 29 |
| 10-Mar-21 | 9.24 | FST399 | CATHETER URETHRAL INTERMITTENT ISC MALE 10FG : 24810 | EA | 22 |
| 12-Mar-21 | 8.4 | FST399 | CATHETER URETHRAL INTERMITTENT ISC MALE 10FG : 24810 | EA | 20 |
| 19-Mar-21 | 23.04 | KFK357 | TUBE FL-OX 13X75MM 2ML GREY CAP (PK 100): 368920 | PCK | 4 |
| 21-Mar-21 | 391.93 | ACT003 | MAXPAX TEA LEAF WHITE W/O SUGAR (PACK 25) | PCK | 165 |
| 21-Mar-21 | 114.02 | ACT003 | MAXPAX TEA LEAF WHITE W/O SUGAR (PACK 25) | PCK | 48 |
| 26-Mar-21 | 24.83 | AEB528 | BREAKFAST CEREAL FROSTIES 35g | EA | 130 |
| 29-Mar-21 | 4.75 | ACT003 | MAXPAX TEA LEAF WHITE W/O SUGAR (PACK 25) | PCK | 2 |
| 31-Mar-21 | 11044.09 | HHD733 | SWAB TRANSPORT STERILE CHARCOAL MEDIUM BLACK CAP (PACK 50) : 18114CST | PCK | 1222 |
| Total | 43,408.28 | | | | 13751 |

Appendix F

Denbigh Stores Out of Date Stock April 2020-March 2021

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|--------|--|-----|------------------|
| 19-Jan-21 | 456.96 | AJF159 | PEAS MARROWFAT DRIED 3KG | EA | 136 |
| 15-Feb-21 | 29.66 | ALQ210 | *** DISCONTINUED *** PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 7 |
| 15-Feb-21 | 12.71 | ALQ210 | *** DISCONTINUED *** PIE FILLING AND FRUIT TOPPING BLACKCHERRY 2.5KG | EA | 3 |
| Total | 499.33 | | | | 146 |

Appendix G

IP5 Stores Out of Date Stock April 2020-March 2021

| Transaction Date | Transaction Value | Item | Description | UOM | Primary Quantity |
|------------------|-------------------|---------|---|-----|------------------|
| 15-Apr-20 | 224.27 | AHS286 | PINEAPPLE PIECES IN JUICE 3KG | EA | 126 |
| 07-May-20 | 196.56 | AJQ214 | BAKED BEANS IN TOMATO SAUCE CLASS A 2.62KG | EA | 126 |
| 07-May-20 | 199.68 | AJQ214 | BAKED BEANS IN TOMATO SAUCE CLASS A 2.62KG | EA | 128 |
| 19-May-20 | 1006.88 | ETG0392 | SURGICAL PACK BASIC WITHOUT MAYO STAND COVER (BOX 7) : 9010 | BOX | 18 |
| 04-Jun-20 | 111.88 | ETG0392 | SURGICAL PACK BASIC WITHOUT MAYO STAND COVER (BOX 7) : 9010 | BOX | 2 |
| 04-Jun-20 | 367.19 | KFK0753 | TUBE EVACUATED PLASTIC SERUM CLOT ACT GEL 13 X 75MM GOLD PUSH FIT BD VACUTAINER (BOX 100) : 367956 | BOX | 60 |
| 12-Jul-20 | 796.25 | AHT532 | RHUBARB SOLID PACK 2.86g | EA | 294 |
| 08-Aug-20 | 65.52 | KFK0172 | TUBE LITHIUM HEPARIN 13 X 75MM 4ML GREEN CAP (BOX 100) : 367883 | BOX | 13 |
| 17-Aug-20 | 116.44 | FSB0054 | BLOOD RECIPIENT PACK DRY : FGR8003 | EA | 17 |
| 28-Aug-20 | 460.11 | ADB008 | BISCUITS RICH TEA 300g | EA | 880 |
| 21-Sep-20 | 28.03 | FTR0713 | NEEDLE HYPO SAFETY 18G X 1 1/2ins (38MM) PINK HUB (BOX 100) : 302437 | BOX | 4 |
| 30-Sep-20 | 151.6 | ADB165 | BISCUITS CREAM CRACKERS (TWO BISCUIT PACK) (CASE 2 x 168) | CSE | 10 |
| 18-Oct-20 | 1231.92 | KFK0358 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 100) : 363095 | BOX | 177 |
| 20-Oct-20 | 2692.77 | KFK0753 | TUBE EVACUATED PLASTIC SERUM CLOT ACT GEL 13 X 75MM GOLD PUSH FIT BD VACUTAINER (BOX 100) : 367956 | BOX | 440 |
| 25-Oct-20 | 1149.56 | ETG0392 | SURGICAL PACK BASIC WITHOUT MAYO STAND COVER (BOX 7) : 9010 | BOX | 18 |
| 25-Oct-20 | 127.73 | ETG0392 | SURGICAL PACK BASIC WITHOUT MAYO STAND COVER (BOX 7) : 9010 | BOX | 2 |
| 12-Nov-20 | 348 | AAL001 | SQUASH BLACKCURRANT CORDIAL 1 LITRE | EA | 696 |
| 12-Nov-20 | 886.51 | ACT295 | TEA BAGS 1 CUP (PACK 440) | PCK | 120 |
| 13-Nov-20 | 2366.4 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 1700 |
| 13-Nov-20 | 44.5 | NBA050 | TUBE CAPILLARY SERUM GEL 4X36MM 0-5 - 1ML PUSH CAP RED (PACK50) : 450534 | PCK | 9 |
| 13-Nov-20 | 1199.51 | ETG0024 | DRAPE TOWEL ADHESIVE 75X100CM (BOX 40) : 9086 | BOX | 28 |
| 13-Nov-20 | 1317.96 | NAA004 | TUBE PST II LITHIUM HEPARIN WITH GEL SEPARATOR 13X100MM 4.5ML GREEN CAP : 367375 | EA | 19000 |
| 13-Nov-20 | 481.16 | NAA003 | TUBE K3 EDTA 13X75MM 3ML LAVENDER CAP : 368857 | EA | 11000 |
| 13-Nov-20 | 27.79 | NBA151 | HYDROLYSED NUTRIPREM COW & GATE READY TO FEED PRETERM FORMULA 90ML (CASE24) : ABT057 | CSE | 2 |
| 13-Nov-20 | 2296.8 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 1650 |
| 13-Nov-20 | 2296.8 | KFK751 | TUBE CITRATE 13 X 75MM 2.7ML LIGHT BLUE CAP (PACK 20) : 363095 | PCK | 1650 |
| 13-Nov-20 | 79.82 | NBA008 | GREEN BD MICROTAINER (PACK200) : 365986 | PCK | 2 |
| 13-Nov-20 | 241.13 | NBA129 | PREPARED FEED PRETERM FORMULA LOW BIRTH WEIGHT FORMULA READY TO USE SMA GOLD PREM 1 70 ML (BOX32) : AE | BOX | 17 |
| 13-Nov-20 | 573.75 | FDG200 | ATOMISER LARYNGO-TRACHEAL : 7726MADP | EA | 150 |
| 13-Nov-20 | 820.8 | NAA002 | TUBE K2 EDTA 13X100MM 6ML YELLOW CAP (NON-ISO CAP COLOUR) : 367950 | EA | 12000 |
| 13-Nov-20 | 364.8 | ELA281 | DRESSING FOAM IWS ADHESIVE NON SILICONE LOW TO MODERATE FLUID ACTIVHEAL 17.5CM X 17.5CM (BOX 10) : 100091 | BOX | 20 |
| 13-Nov-20 | 856.79 | ETG0024 | DRAPE TOWEL ADHESIVE 75X100CM (BOX 40) : 9086 | BOX | 20 |
| 19-Nov-20 | 259.2 | ECA001 | BANDAGE LIGHT SUPPORT STR COTTON 5CM X 4.5M : 919500 | EA | 864 |
| 19-Nov-20 | 35.04 | EPE021 | BANDAGE ORTHOPAEDIC FORMFLEX 7.5CM X 2.7M | EA | 192 |
| 26-Nov-20 | 90 | THP4015 | CATHETER INSERTION PACK ALL WALES (CASE 30) : RML112-039 | PCK | 2 |
| 04-Dec-20 | 222.89 | ABT0002 | BABY MILK SMA 1ST INFANT MILK RTF 100ML | CSE | 31 |
| 08-Dec-20 | 310.3 | AEH429 | RICE SHORT GRAIN 3KG | EA | 107 |
| 10-Dec-20 | 173.09 | AHS376 | PINEAPPLE RINGS IN NATURAL JUICE 3KG | EA | 79 |
| 11-Dec-20 | 202.8 | AJU584 | TOMATOES PLUM 800g | EA | 390 |
| 11-Dec-20 | 349.44 | AJU584 | TOMATOES PLUM 800g | EA | 672 |
| 21-Jan-21 | 174.72 | AMN012 | SALT PORTIONS (BOX 2000) | BOX | 84 |
| 29-Jan-21 | 15.04 | AMN020 | PEPPER PORTIONS (BOX 2000) | BOX | 4 |
| 29-Jan-21 | 729.44 | AMN020 | PEPPER PORTIONS (BOX 2000) | BOX | 194 |
| 19-Feb-21 | 1490.97 | ACT295 | TEA BAGS 1 CUP (PACK 440) | PCK | 201 |
| 25-Feb-21 | 689.63 | ETG0023 | DRAPE SHEET ADHESIVE 150X250CM 3M (BOX 25) : VJD171 | BOX | 10 |
| 25-Feb-21 | 965.49 | ETG0023 | DRAPE SHEET ADHESIVE 150X250CM 3M (BOX 25) : VJD171 | BOX | 14 |
| 26-Feb-21 | 26.67 | ADB008 | BISCUITS RICH TEA 300g | EA | 51 |
| 16-Mar-21 | 24.8 | ANK171 | MUSTARD ENGLISH INDIVIDUAL PORTIONS (BOX 200) | BOX | 8 |
| 30-Mar-21 | 1019.53 | EVN047 | PROCEDURE PACK ORTHOPAEDIC WADDING 10CM SDW : F1919013 | EA | 1260 |
| 31-Mar-21 | 1877.49 | KCM424 | TUBE K2 EDTA 13 X 75MM 4ML LAVENDER CAP (BOX 100) : 367839 | BOX | 440 |
| 31-Mar-21 | 1877.49 | KCM424 | TUBE K2 EDTA 13 X 75MM 4ML LAVENDER CAP (BOX 100) : 367839 | BOX | 440 |
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| Total | 37,417.92 | | | | 56302 |



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Shared Services
Partnership

NHS Wales Shared Services Partnership Annual Review 2020-21

Adding value through partnership, innovation and excellence

NHS Wales Shared Services Partnership Annual Review 2020-21

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Executive summary



Introduction from the Managing Director

Welcome to the NHS Wales Shared Services Partnership (NWSSP) Annual Review for 2020-21. This is our tenth annual report and, as in previous years, shows how we are continually improving our services to meet the demands of our partners and customers, as well as our ongoing commitment to adding value through partnership working, innovation and excellence.

2020-21 was a year dominated by COVID-19, but which saw NWSSP not only not stand down any of its services, but also step massively up to the plate in supporting NHS Wales and the wider public sector in procuring and delivering Personal Protective Equipment (PPE), helping to establish field hospitals, and in supporting the vaccination programme. At the same time new services were being developed and launched including the Temporary Medicines unit (TMU), the Single Lead Employer model for GP and other medical trainees, the Medical Examiner Unit, and the Laundry Service.

Some particular highlights were:

- Procurement and Health Courier Services helped to ensure that there were no stock-outs of PPE during the year and to date have provided over 1bn items of PPE to NHS Wales, Social Care and the Primary Care sector;
- Specialist Estate Services (SES) was involved in many of the processes for the acquisition and development of 19 new field hospitals, created in less than 8 weeks, and providing an additional 6,000 beds throughout Wales; and
- Our Surgical Medical Testing Laboratory (SMTL) played a key role in assessing the efficacy of PPE products, and helped to identify a high number of items that either had false documentation and/or were not suitable for NHS Wales, thus avoiding many of the (extensively reported) problems that have been seen elsewhere in the UK.

Our organisational values underpin our commitment to deliver excellent services; we continue to listen and learn from our partners, working together across NHS Wales, taking responsibility through all our actions, and innovating to deliver the best results for the people of Wales. None of these achievements would be possible without the hard work and dedication of our staff which we continue to formally recognise through our annual Staff Recognition Awards.



The 2020-21 financial year was also the last full year of Margaret Foster's tenure as Chair of NWSSP. I would like to take this opportunity to thank Margaret for her enormous contribution to the development of NWSSP since 2012, and for helping it to become the large, diverse, and successful organisation that it is today.

As Margaret leaves NWSSP, I would equally like to welcome Professor Tracy Myhill, who takes over as Chair with effect from December 2021. Tracy will be well known to many of you as an accomplished senior leader with over 35 years of experience across the public sector and in not-for-profit settings.

I hope that you enjoy reading about our achievements in this Annual Review, and look forward to continuing to meet and exceed the expectations of our stakeholders across Wales during 2021 and 2022.



Neil Frow
Managing Director

Executive summary

2020-21 has been a period of rapid development for NWSSP. Faced with the global pandemic, working practices have transformed to ensure the continued delivery of services to the wider NHS family and the population of Wales.

NWSSP remains a hosted organisation, operating under the legal framework of Velindre University NHS Trust. The Managing Director reports to health boards and trusts, through the Shared Services Partnership Committee (SSPC), comprised of organisational representatives from NHS Wales bodies using NWSSP services and Welsh Government.

SSPC has the responsibility for making decisions and setting NWSSP policy for NHS Wales. Adding value through partnership, excellence, and innovation, the Committee has a vital role in performance monitoring as well as supporting the strategic development of NWSSP and its services.

A number of sub-committees and advisory groups branch from SSPC, incorporating our partners, stakeholders, and service users.

We continue to collaborate and work in partnership where possible, ensuring the sustainable, successful delivery and development of services for the future of the NHS in Wales.

We have developed new and strengthened existing relationships, maintaining the focus on efficiency changes and service development, championing sustainable, innovative, data driven systems.

NWSSP is continually supported by an exceptional and diverse workforce. We are committed to managing change sensitively and equitably, also working alongside local partnership forums and trade union colleagues to offer employment opportunities.

NWSSP continues to remain focused on developing and providing excellence in customer service, striving to make this a core component of the management and delivery of our services.

Key statistics 2020-21



3,550 members of staff



Operating from **27** buildings



Budget of over **£593m**



95% of all NHS Wales expenditure is processed through NWSSP systems and processes



Professional influence benefits of over **£165m**



We reinvest savings for the benefit of NHS Wales

Our services

-  All Wales Laundry Service
-  Audit and Assurance
-  Central e-Business Team
-  Counter Fraud
-  Digital Workforce Solutions
-  Employment
-  Finance Academy (*hosted*)
-  Health Courier Service
-  Legal and Risk and Welsh Risk Pool
-  Medical Examiner Unit
-  Primary Care
-  Procurement
-  Salary Sacrifice
-  Single Lead Employer
-  Specialist Estates
-  Surgical Materials Testing Laboratory
-  Temporary Medicines Unit
-  Wales Infected Blood Support Scheme

Internal support services:

-  Finance and Corporate Services
-  People and Organisational Development
-  Planning, Performance and Informatics

Our core values



Our strategic objectives

| | |
|-------------------------------|--|
| Value for money | A highly efficient and effective organisation to deliver real term savings and service quality benefits to its customers |
| Customers and partners | Open and transparent customer-focused culture that supports the delivery of high quality services |
| Staff | An appropriately skilled, productive, engaged and healthy workforce |
| Excellence | An organisation delivering process excellence with a focus on continuous service improvement, automation and use of technology |
| Service development | Extend the range of high quality services provided to NHS Wales and the Welsh public sector |

Our overarching goals

1

We will promote a consistency of service across Wales by engaging with our partners whilst respecting local needs and requirements

2

We will extend the scope of our services, embracing sustainability, within NHS Wales and the wider public sector to drive value for money, consistency of approach and innovation that will benefit the people of Wales

3

We will continue to add value by standardising, innovating and modernising our service delivery models to achieve the well-being goals and benefits of prudent healthcare

4

We will be an employer of choice for today and future generations by attracting, training and retaining a highly-skilled and resilient workforce, who are developed to reach their full potential

5

We will maintain a balanced financial plan whilst we deliver continued efficiencies, direct and indirect savings and reinvestment of the Welsh pound back into our economy

6

We will provide excellent customer service, ensuring that our services maximise efficiency, effectiveness and value for money through system leadership and a Once For Wales approach

7

We will work in partnership to deliver world-class service to help NHS Wales tackle key issues, lead to a healthier Wales and support sustainable Primary Care

8

We will help NHS Wales to meet their challenges by being a catalyst for learning lessons, sharing good practice and identifying further opportunities to deliver high-quality service

Our achievements



Our achievements and case studies

The pandemic impacted all areas of work within NWSSP, however there was a clear commitment to continue to deliver and develop core services. In some areas the timeline for proposed service improvement developments were accelerated in response to adapting to new ways of working because of restrictions imposed.

Below is a summary of NWSSP achievements against organisational goals, some achievements are in direct response to the pandemic whilst others detail progress in other areas which did not stop due to COVID-19.

There is a section dedicated to specific COVID-19 case studies at the end of the document but is not an exhaustive account of all the work undertaken to support health boards, trusts and the population of Wales.

1 *We will promote a consistency of service across Wales by engaging with our partners whilst respecting local needs and requirements*

- ▶ Our Project Management Office supported health boards and trusts in delivering service transformation and innovation. Examples include the All Wales Laundry Service, Specialist and Critical Care, Medical Examiner Service and Transforming Access to Medicines.
- ▶ Continued to work on the full deployment of ESR Self Service Portal across NHS Wales that enables real-time digital workforce interactions and removes paper dependency.
- ▶ The implementation of additional claims functionality to the National Electronic Claims and Fees system (NECAF) has been completed. This has enabled the delivery of a number of new national pharmacy service specifications.
- ▶ Continued engagement with key stakeholders, such as board secretaries, directors of finance and audit committee chairs, to ensure an appropriate balance of national and local audit work.
- ▶ Audit and Assurance provided enhanced advisory support to all NHS Wales organisations during the COVID-19 pandemic.
- ▶ HCS working in partnership with Welsh Blood, NHS Wales, Emergency Medical Retrieval and Transport Service Cymru (EMRTS) and All Wales Palliative Care Medicine Pathway.
- ▶ Audit and Assurance delivered a review of the newly implemented COVID-19 Governance arrangements across all NHS Wales organisations to provide an early assessment of their effectiveness and impact.

Case study: [Health Courier Service on S4C](#)

2

We will extend the scope of our services, embracing sustainability, within NHS Wales and the wider public sector to drive value for money, consistency of approach and innovation that will benefit the people of Wales

- ▶ Introduction of new services for NWSSP, including the Temporary Medicines Unit (TMU), Transforming Access to Medicines (TRAMS) and All-Wales Laundry Services.
- ▶ Utilisation of information held within the Optometry Data Warehouse has enabled more effective planning.
- ▶ Certifications achieved included Customer Service Excellence, STS Food Safety, Lexcel Accreditation, ISO 14001 Environment, ISO 9001 Quality, ISO 27001 Information Security and ISO 45001, the Health and Safety Standard.
- ▶ Achieved 99% paperless office within Legal and Risk Services.
- ▶ The Accounts Payable Division processed 1.8 million invoices, with a value in excess of £6.3 billion. Over 97% of which were processed electronically. The Division also secured income from the Priority Supplier Programme of £448k and from unclaimed credits of £2.2 million.
- ▶ Specialist Estates Services undertook a number of projects to support health boards and trusts, these have been summarised below:
 - A total of £2.35m of lease management savings were generated for NHS Wales and £6.13m of efficiency savings were generated through the Building for Wales national construction related procurement frameworks.
 - Supported health boards, trusts and Welsh Government in the establishment of field hospitals during the first COVID-19 wave in March, April and May 2020.
 - Assisted health boards and trusts to improve oxygen flow capacity to meet clinical demand planning assumptions due to the COVID-19 pandemic.
 - Appointed to the role of Regional Estates Lead (Oxygen) with responsibility for coordinating and reviewing Health Board requests for oxygen equipment and plant, providing technical appraisals for decision-making purposes and working closely with the Department of Health, BOC, Procurement Services and health boards to maximise improvements.
 - Supported health boards in the sourcing and delivery of COVID-19 vaccination centres.
 - Supported the COVID-19 field hospitals with specialist fire safety planning advice and risk assessment support.
 - Developed alternative forms of the standard NEC contract for future construction contracts in order to cover COVID-19 risks.

- Provided design and development support to the COVID testing laboratories at IP5 and the accelerated development programme at the Grange Hospital in Cwmbran.
 - Supplied guidance and advice on specialist ventilation systems including the verification of existing systems.
 - Commissioned and managed the development of a Decarbonisation Strategy for NHS Wales by the Carbon Trust.
- ▶ SMTL continue to work with Procurement Services to curb the use of non-evidence based technologies (for example, LIPUS) to ensure that NHS Wales is not wasting resource.
 - ▶ Test methods developed to assess the quality of surgical masks for use as personal protective equipment during the COVID-19 pandemic.
 - ▶ The National Outstanding Medical Records Protocol was implemented utilising Robotics Process Automation technology. This has improved the transport of patient paper records on new GP Practice registration.
 - ▶ Further service developments around major capital schemes and national IT audits.

Case study: [Temporary Medicines Unit launch](#)

3

We will continue to add value by standardising, innovating and modernising our service delivery models to achieve the well-being goals and benefits of prudent healthcare

- ▶ Continued utilisation of technology to streamline processes, drive efficiency, improve governance and support service improvements through each directorate.
- ▶ Recruitment Services implemented Medical and Bank Recruitment for Cwm Taf Morgannwg.
- ▶ Expansion of Student Streamlining.
- ▶ Awareness raising within health boards and trusts regarding Recruitment Services.
- ▶ Changes to right to work processes due to Brexit.
- ▶ Implementation of the Collaborative Bank.
- ▶ Finalisation of a Procurement Manual, providing accessible and understandable information of procurement rules.
- ▶ Legal and Risk Services have continued to use surveillance, where justified, in cases where it is suspected that an invalid claim has been made. In some cases, this has led to a saving for NHS Wales.
- ▶ Bespoke lease management reports (using ePIMS data) were created for NHS Wales organisations, notifying health boards and trusts of impending lease expiry and break deadlines to support decision making in this regard.
- ▶ Roll-out of Microsoft Office 365 for all staff to enable remote working amid the pandemic. Agile working toolkit developed and implemented.
- ▶ NWSSP host the National Nursing Workforce Group progressing initiatives that promote a 'Once for Wales' approach, to ensure the right levels of Nurse and Midwifery Staffing in compliance with legislation and prudent health care. Support the All Wales Nurse Staffing Programme.
- ▶ Virtual employment checks were implemented in March 2020.
- ▶ Audit and Assurance delivered all work programmes, quality standards and annual opinions across NHS Wales on time despite the challenges of COVID-19.

Case study: [Collaborative Bank](#)

4

We will be an employer of choice for today and future generations by attracting, training and retaining a highly-skilled and resilient workforce, who are developed to reach their full potential

- ▶ Development and focus on the provision of mental health support for staff and managers.
- ▶ Signed the Time to Change Wales Employers Pledge in October 2020 to create a more open and understanding culture around mental health problems in the workplace.
- ▶ Ongoing commitment to the Health and Well-being Staff Partnership.
- ▶ Celebrated the fifth NWSSP annual Staff Recognition Awards in December 2020.
- ▶ Ongoing expansion of the Single Lead Employer Service to pre-registration pharmacists, dental foundation trainees and core specialist medical trainees.
- ▶ Continued to offer in house training opportunities, adapted for virtual delivery to continue momentum and commitment to staff development.
- ▶ Developed a virtual insight day to promote work experience opportunities and widening access to the legal profession to those who wish to learn more about the law.
- ▶ Recruitment to Network 75 and graduate management training schemes.
- ▶ PADRs with staff have continued to be undertaken virtually.
- ▶ Health and Safety Management remains key for NWSSP. All Government issued regulations and guidance was fully complied with to ensure the safeguarding of staff amid the pandemic.
- ▶ Continued focus and support for staff undertaking professional training to enhance skill base maximise potential.

Case study: [Mental health](#)

5

We will maintain a balanced financial plan whilst we deliver continued efficiencies, direct and indirect savings and reinvestment of the Welsh pound back into our economy

- ▶ Achieved a balanced financial plan for 2020-21 financial year.
- ▶ Distributed £2 million of direct cash releasing savings to NHS Wales in 2020-21.
- ▶ Key savings targets continue to be met on an ongoing basis.
- ▶ Continued to absorb additional service demands (e.g., enablement focus on local delays, compliance with IR35 off-payroll working and HMRC requirements).
- ▶ Specialist Estates Services generated £2.35m of lease management savings for NHS Wales and £6.13m of efficiency savings were generated through the Building for Wales national construction related procurement frameworks.
- ▶ The Salary Sacrifice Lease Car Scheme received 560 orders, saving £375k per annum, covering all NHS Wales organisations except Hywel Dda and Betsi Cadwaladr University Health Boards.
- ▶ The Salary Sacrifice Home Electronics Scheme received 685 orders, saving £55k per annum and the Cycle to Work Scheme received 29 orders. Both schemes cover Velindre, NWSSP and the Welsh Ambulance Service.
- ▶ Specialist Estate Services established the Estates Funding Advisory Board (EFAB) assisting the WG to allocate capital funds of £35m to health organisations for estates related projects.
- ▶ Legal and Risk Services' hourly rate is on average £36 less than the NPS rates for legal services.
- ▶ Legal and Risk's professional savings and successes amounted to £119.533m for 2020-21.
- ▶ SMTL continue to work on projects related to Welsh manufacturers on a routine basis.

Case study: [Foundational economy](#)

6

We will provide excellent customer service, ensuring that our services maximise efficiency, effectiveness and value for money through system leadership and a Once For Wales approach

- ▶ Continued positive feedback from committee self-assessments, annual reviews and satisfaction and effectiveness surveys.
- ▶ Further investment in Imperial Park 5 National Warehouse and Distribution Centre to house additional services.
- ▶ Continued to work to Once for Wales work plan for equality.
- ▶ Commissioned and managed the development of a Decarbonisation Strategy for NHS Wales by the Carbon Trust.
- ▶ The SES Property Team completed 188 assessments of GP surgeries for rental reimbursement purposes and reviews of 127 sites for the Land and Property Portfolio (an estates terrier) for four NHS Wales organisations.
- ▶ Legal and Risk Services achieved commendatory audits under the Law Society's Lexcel Quality Assurance and Customer Service Excellence Standards with Compliance Plus Awarded.
- ▶ Continuous monitoring of customer service feedback and implementing any identified improvements within SMTL.
- ▶ Implementation of an Electronic Transfer of Claims service across community pharmacy settings. This has improved efficiency for customers by utilising automation to process up to 80% of prescription items within Primary Care Services.
- ▶ Launched the All Wales Laundry Service, providing NHS Wales Health Organisations with clean linen from an All Wales service. The Service will implement the new EN 14065 standard for laundry, whilst planning ahead for the construction of two Laundry Processing Units (LPUs) and the redevelopment of a third.

Case study: [Virtual pre-employment checks](#)

7

We will work in partnership to deliver world-class service to help NHS Wales tackle key issues, lead to a healthier Wales and support sustainable Primary Care

- ▶ Central Team Ebusiness Service supported DCHW to transition to their own Oracle Ledger. The ledger was built using standard All Wales configuration and setup, ensuring consistency between Ledgers.
- ▶ Developed All Wales Rostering Programme; Safecare Implementation Group, District Nursing e- Scheduling workstream and Occupational Health Steering Groups to standardise policy, process and guidance across NHS Wales organisations.
- ▶ QlikView dashboard upgrades to support Health Courier and Procurement Services.
- ▶ National programme for the Once for Wales Concerns Management System was successfully launched to implement the new Datix Cymru System.
- ▶ Collaborative working between divisions to share data, enabling the GP Locum Register to be accurately maintained.
- ▶ Integration of Primary Care Services transport and distribution into the Health Courier Service and the continued development of services provided.
- ▶ Use of a national optometry database, allowing planning, performance measurement and modelling by service commissioners.
- ▶ Continued focus on advisory work to support improvement at the start of the change process.
- ▶ Working with the Board Secretaries Network to ensure that changes to our audit processes support and help deliver the priorities of NHS Wales.
- ▶ Specialist Estates Services commissioned and managed Healthcare Planners to provide a Primary Care strategic planning review on behalf of the Welsh Government.
- ▶ Supported health boards with the delivery of the primary care projects.

Case study: [Aberaeron Integrated Care Centre](#)

8

We will help NHS Wales to meet their challenges by being a catalyst for learning lessons, sharing good practice and identifying further opportunities to deliver high-quality service

- ▶ Continued performance management reviews
- ▶ Annual items of lessons learned and good practice shared with Senior Leadership Group, the Shared Services Partnership Committee, Audit Committee and Local Partnership Forums.
- ▶ All Wales forums of best practice and collaboration, including Equality Leadership Group and Welsh Health Environmental Forum.
- ▶ Legal and Risk Services' Employment team continue to develop and deliver employment relations training packages to ensure that best practice is shared, and lessons are learned amongst organisations. Key training includes Investigation Officer Training, Disciplinary Officer Training, Fixed Term Contract Training and UPSW Training.
- ▶ Cyber security e-learning package implemented across NHS Wales.
- ▶ SMTL continued to work with wound care experts across Wales to develop a guideline for antimicrobial dressings use, to prevent the unnecessary use of expensive dressings.
- ▶ Delivery of Post Payment Verification educational pathway for service users of a variety of Primary Care Services has ensured stakeholders are aware of best practice leading to an improvement of the quality-of-service claims.
- ▶ Produced six all-Wales summaries to share good practice and common findings of Audit and Assurance Services work, covering COVID-19 Governance, IT arrangements, Welsh Language compliance, Water Management, Fire Safety, and Control of Contractors.
- ▶ Establishment of a Building Management Group, to implement controls across sites to safeguard staff and services in compliance with COVID-19 regulations.
- ▶ Audit and Assurance Services conducted a review in respect of the COVID-19 arrangements at NWSSP sites, achieving reasonable assurance.

Case study: [Community PROMPT Wales](#)

COVID-19 response



COVID-19 response

2020-21 has been a year like no other. The impact of COVID-19 has been enormous on every aspect of daily life across the globe. The NHS in particular has been subject to immense strain over the last 18 months and NWSSP has stepped up to the plate in the provision of PPE and supporting the establishment of field hospitals, whilst continuing to meet the on-going demands of recruitment, paying staff and suppliers accurately and on time, processing prescriptions and providing legal advice, to name but a few of our services.

The majority of our services were not stood down and the rapid role-out of Office 365, supported by significant investment in IT equipment, was instrumental in achieving a safer working environment for staff with many able to work from home, allowing greater flexibility for socially distancing measures to be implemented at our main hubs and sites.

The following sections highlight some of our key achievements during the year.

Personal protective equipment (PPE)

Over 1 billion items of PPE have now been provided to the NHS, Primary Care and Social Care in Wales.

No stock-out of any item occurred and we also managed to obtain supplies for other parts of the UK on a number of occasions.

The environment in which we were operating was unprecedented with many new players entering the market to often take advantage of the excessive price rises that were a factor of the excess of demand over supply. Where possible we

sought to work with local suppliers to reduce the reliance on overseas imports and support the Foundational Economy.

The establishment of a Finance Governance Group allowed a robust and responsive review mechanism for orders that had to be placed at very short notice, and often with payment in advance. This helped to streamline the approvals process with both the Velindre Trust Board and Welsh Government.

The success of this arrangement has been recognised through the winning of the 'COVID-19 Heroes' category in the Finance Awards Wales and also being highly commended in the UK Public Finance Awards.



In our Procurement team, Claire Salisbury, was awarded with an MBE and Paul Buckingham the British Empire Medal for their outstanding contributions to NHS Wales during the pandemic as part of the Queen's Birthday Honours List.

Surgical Materials Testing Laboratory (SMTL)

NWSSP's SMTL played a critical role in ensuring that PPE and other specialist

equipment was safe to use and fit for purpose.

There was a huge demand for PPE and other medical equipment, and with the explosion of potential suppliers into the market this had led to a significant increase in workload for the service.

The team tirelessly worked on an NHS Wales and UK-wide basis to test the safety and efficacy of products, to ensure the items were with the frontline as quickly as possible. Whilst undertaking this testing, they identified a significant increase in the number of fraudulent certifications (approximately 20% of documents reviewed) which prevented NHS Wales spending very substantial sums of money on equipment that would have put the health of NHS and other frontline staff at significant risk.

NHS Wales Temporary Medicines Unit (TMU)

The Unit is hosted at NWSSP's IP5 site in Newport and has recently passed its rigorous inspection by the statutory regulator, the Medicines and Healthcare Products Regulatory Agency.

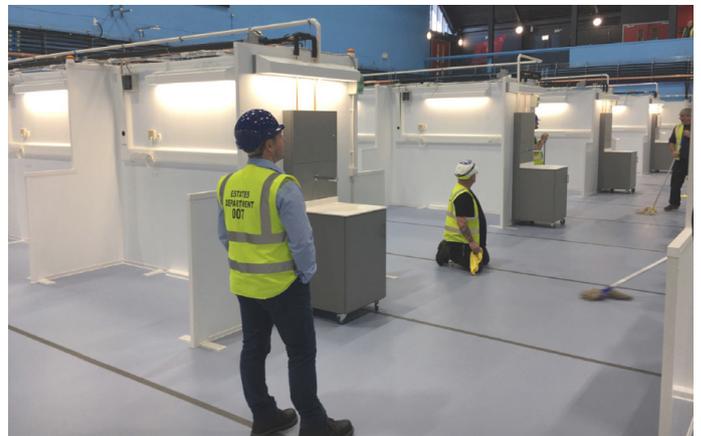
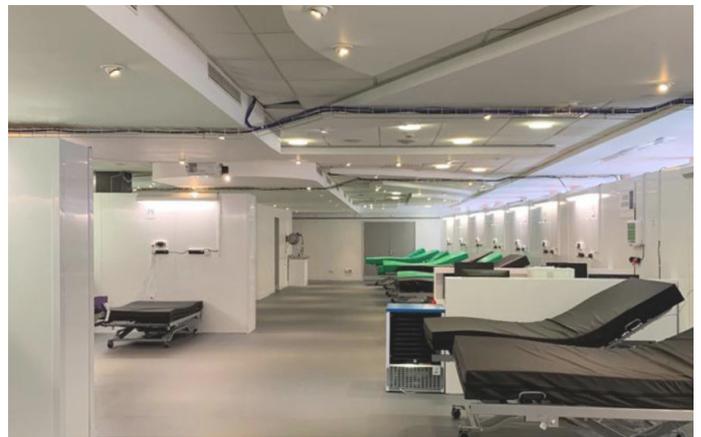
The service supplies key medicines needed for critical care units in ready to use syringes, capacity is currently at 2,600 syringes supplied weekly, to ensure continuity of supply and saving around 30,000 hours of nurse time per annum to be redirected towards patient care across all Wales.

The TMU has been involved in supporting the distribution of COVID-19 vaccines and related supplies, as part of the contingency response.

Field hospitals

NWSSP's Specialist Estate Services (SES) were involved in many of the processes for the acquisition and development of the 19 new field hospitals. The hospitals were created in less than eight weeks and provided an additional 6,000 beds throughout Wales.

The largest field hospital constructed in Wales was the Dragon's Heart Hospital at the Principality Stadium in Cardiff.



A number of SES matter experts were involved in the process, including property surveyors, who advised health boards on the terms of occupation of the properties and assisted in documenting the occupational agreements, including leases, licenses, and tenancies at will. Fire advisors and engineers also provided technical scrutiny to ensure compliance with Legislation.

As we approach the second anniversary of the discovery of the Virus, many of the contingency arrangements remain in place with the majority of our staff working from home, and substantial increases in activity in recruitment, payroll, and accounts payable in particular to support NHS Wales as we hopefully emerge from the pandemic.

Health Courier Service (HCS)

Since February 2020 the Health Courier Service has increased its workforce by 70% and its fleet by 50% in order to support the ongoing operational response to the COVID-19 pandemic.

In addition to transacting its usual business, the service introduced a number of additional patient-focused services, including the distribution of PPE and lateral flow tests and COVID-19 specimen collections.

HCS delivers vaccines to over 300 locations every week in Wales. This includes maintaining the 'end to end' cold chain; picking, packing and delivering any associated consumables, as both pre-planned journeys and under ad hoc circumstances.

HCS recruited a number of head drivers, team leaders and area managers to support service delivery during the pandemic.



Key Supply Chain and HCS COVID-19 statistics



20 vaccine deliveries per day to over **300** locations per week



Over **7,000** vaccine journeys in total, covering **2.2 million** miles



1.2 billion items of PPE and goods distributed



5.5 million vaccine needles, **40,000** sharps bins and **28,000** vaccine trays delivered



100% of deliveries on time



Over **35,000** PPE journeys to primary care locations

Supporting NHS Wales During COVID-19

How We Will Continue To Support NHS Wales During COVID-19

Aligned with continuing to deliver our main 'business as usual' services to our customers, we will carry out the below:



Support with the transport of COVID19 specimens and vaccine consumables to and from sites across Wales.



Recruitment support of additional surge capacity and mass vaccination campaign.



Continue to work in partnership with our Trade Unions to promote workplace safety and staff wellbeing.



Welsh Language translation service to Public Health Wales including daily public briefings.



One stop hub for legal advice and guidance to assist staff in the care and treatment of patients.



Monitor risk assessments for our medical and pharmacy trainees.



Review of governance arrangements across NHS organisations by Internal Audit services.



Support through our Pension Service to the families of those who have died in service during the pandemic.



Assessment of certification and test reports on PPE supply.



Implementation of StockWatch to track and forecast across NHS Wales.



Continued support to All Wales Home Pharmacy Delivery ensuring terminally ill patients have access to palliative medicines.



Development of rapid tools and e-learning materials to support vaccination campaign and risk assessments for NHS staff.



Regional estates lead for oxygen equipment, planned and flow to healthcare sites.



Update our toolkits to staff to help adapt to new ways of working.



Facilitate the prompt payment of suppliers maintaining timely cash flow during the pandemic.



Continued successful procurement response with continuity of PPE supply.



Supply of pre-filled syringes of key medicines from our TMU to critical care units.

Performance



Governance framework

The Shared Services Partnership Committee (SSPC) and NWSSP Audit Committee are responsible for scrutinising, assessing, and monitoring performance. These committees along with several sub- committees and advisory groups (listed in the diagram below) ensure compliance with the overarching NWSSP Governance and Assurance Framework.

Committee papers are published and [available on our website](#).

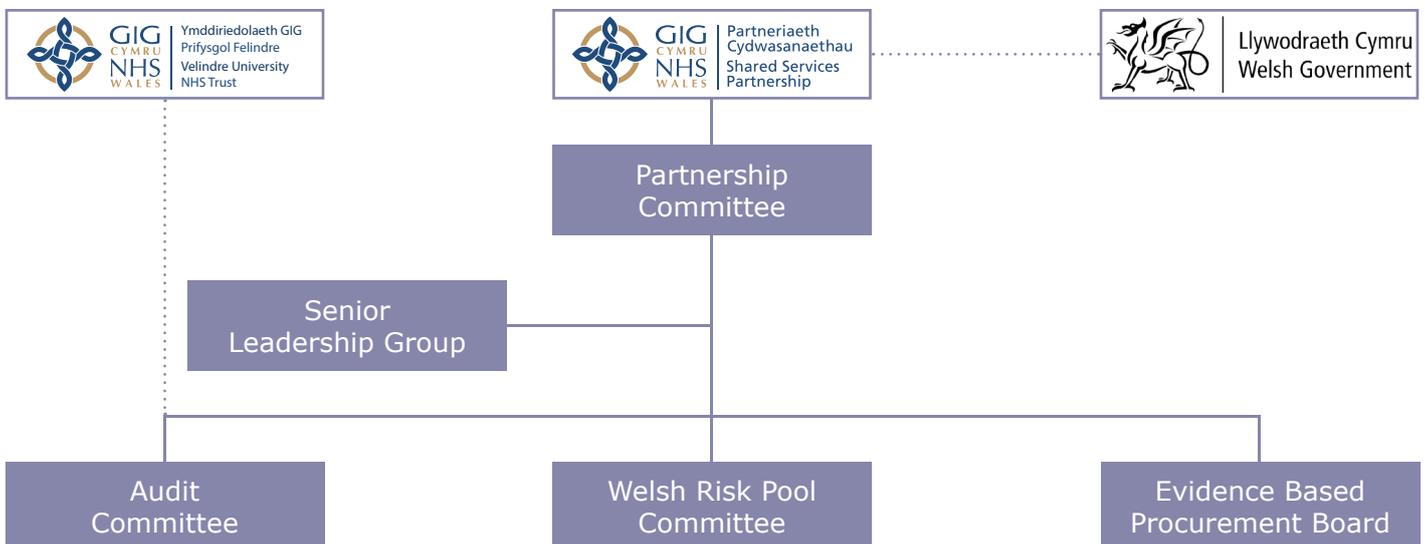
The SSPC membership comprises an Independent Chair, Managing Director of NWSSP and either the Chief Executive or another nominated representative, acting on behalf of each NHS Wales Health Board or Trust and Special Health Authority. The SSPC is responsible for ensuring NWSSP consistently follows the principles of good governance, maintains oversight and development of systems and organisational processes for financial and Organisational control, governance, and risk management.

The role of the Audit Committee is to review and report effective operation of overall governance and the internal control system. This includes the management of risk, operational compliance controls and related assurances that support the delivery of objectives and maintain standards of good governance.

The management and control of resources during 2020-21 is evidenced within the Annual Governance Statement. The statement details the extent to which we complied with our own governance requirements, summarising all disclosures relating to governance, risk and control.

The Head of Internal Audit provides an annual opinion on the adequacy and effectiveness of the risk management, control, and governance processes, which was reasonable assurance for 2020-21.

Our structure



Welsh language

NWSSP has continued to support and increase our provision in translation services to its divisions, but also to other NHS organisations, including Public Health Wales and Velindre Trust and Digital Health and Care Wales.

NWSSP has supported the GP Wales interface to be bilingual as well as ensuring that patient information leaflets are quality assessed. The Welsh Language Team translated 53 job descriptions and All Wales employment policies for NHS Employers Wales.

The demand increases year on year, with projected forecast of reaching six million words translated by 2021-22.

During the pandemic, we offered support in many different forms to other NHS Organisations.

Community Health Councils

- Advertising, recruiting and appointing a Translator
- Memsources Translation Software training to a recently appointed Translator

Swansea Bay University Health Board

- Advice and support on creating an intranet page to support Welsh Language
- Advertising, recruiting and appointing a Welsh Language Officer

Powys Teaching Health Board

- Supported the Welsh Language Manager in preparing for interviewing, recruiting and appointing a translator.

Student Streamlining Service

- A review of the student streamlining service resulted in improvements being made to enable students to apply for placements at health boards and trusts in Welsh.

Translation services

2,217 requests received for translation services during 2020-21:

- **98%** English to Welsh
- **2%** Welsh to English

Number of words translated:

- 2016-17: 230,841
- 2017-18: 356,415
- 2018-19: 756,894
- 2019-20: 2,898,128
- **2020-21: 4,392, 866**

Training and learning

- **116** staff received Welsh Language Awareness training across all NWSSP sites (this figure is significantly lower this period due to the pandemic)
- **127** managers received Welsh Language Awareness training across all NWSSP sites
- **All staff** attending Corporate Induction received Welsh Language Awareness training
- **11** Welsh classes hosted during 2019-20 with **60** staff in attendance

Job vacancies

321 jobs advertised in 2020-21:

- **5** Welsh essential
- **291** Welsh desirable
- **25** Welsh is not a required skill
- **0** Welsh needs to be learnt

Information governance

| | |
|--|---|
|  <p>46 face-to-face information governance classes run in 2020-21</p> |  <p>1,000+ staff trained within two year compliance target</p> |
|  <p>597 staff attended an information governance classroom session</p> |  <p>87% average IG eLearning core skills compliance across NWSSP</p> |
|  <p>90 Freedom of Information requests received</p> |  <p>84.5% compliance in responding to FOI requests within 20 working days</p> |
|  <p>Privacy Impact Assessments completed included All Wales DATIX Incident Reporting, Salary Sacrifice Scheme, Optometry Incident Reporting and the Health Roster</p> |  <p>100% completion of the new All Wales IG toolkit</p> <p>Substantial assurance with audit programmes</p> |

Communications

| | |
|--|---|
| <p>1.015 million website hits</p> | <p>NWSSP’s new external website was launched in June 2020, after we completed the migration of information to a new content management system. The site is bilingual and meets all W3C Accessibility Standards for visitors with disabilities.</p> |
| <p>939,426 intranet hits</p> | <p>NWSSP’s intranet pages have been a key channel of communication to staff during the COVID-19 pandemic which has also included information regarding supporting health and well-being, important corporate messaging and other key updates for staff.</p> |
| <p>4,100 twitter followers</p> | <p>NWSSP has almost 4,100 followers which is an increase of 1,400 over the past financial year. Our followers include key stakeholders as well as members of the public.</p> |
| <p>4,773 LinkedIn followers</p> | <p>NWSSP’s LinkedIn channel saw significant growth over the last financial year with over 1,500 followers gained. The platform has enabled us to share key corporate information with external stakeholders and professionals as well as using as a recruitment tool to attract the best talent to NWSSP.</p> |

Financial management of budget

NWSSP provides support to all NHS bodies across Wales and, as such, must use the budget allocated to meet the running costs with a requirement to break even each year. In addition, NWSSP has a target to distribute savings of £0.75m a year to health bodies across Wales. As well as ensuring revenue spend is within limits, there is also requirement to ensure any capital spend is within the Capital Expenditure Limit provided by Welsh Government. Finally, the Public Sector Payment Policy (PSPP) requires NWSSP to pay invoices to non-NHS suppliers within 30 days of an invoice being issued or the goods received. During 2020-21 we achieved all of our financial performance targets, exceeded our savings targets and were able to distribute £2million of savings to NHS Wales.

| | Target | Actual |
|---------------------------------------|----------------------------------|--------------|
| Financial position – forecast outturn | Break-even | £21k surplus |
| Capital Financial Position | Within capital expenditure limit | Achieved |
| Distribution of savings | £0.75m | £2.00m |
| NWSSP Public Sector Pay Policy % | 95% | 97% |

NWSSP income and expenditure can be summarised as follows:

| | 2020-21 £m | 2019-20 £m |
|-------------|---------------|---------------|
| Income | 593.121 | 334.609 |
| Expenditure | 593.100 | 334.599 |
| Surplus | 0.021 | 0.010 |

Revenue spend

During the 2020-21 financial year, total expenditure was £593.100m, of which £134.836m was spent on pay costs, with £458.264m being spent on non-pay costs.

| Revenue spend | £m |
|---------------|----------------|
| Pay costs | 134.836 |
| Non-pay costs | 458.264 |
| Total | 593.100 |

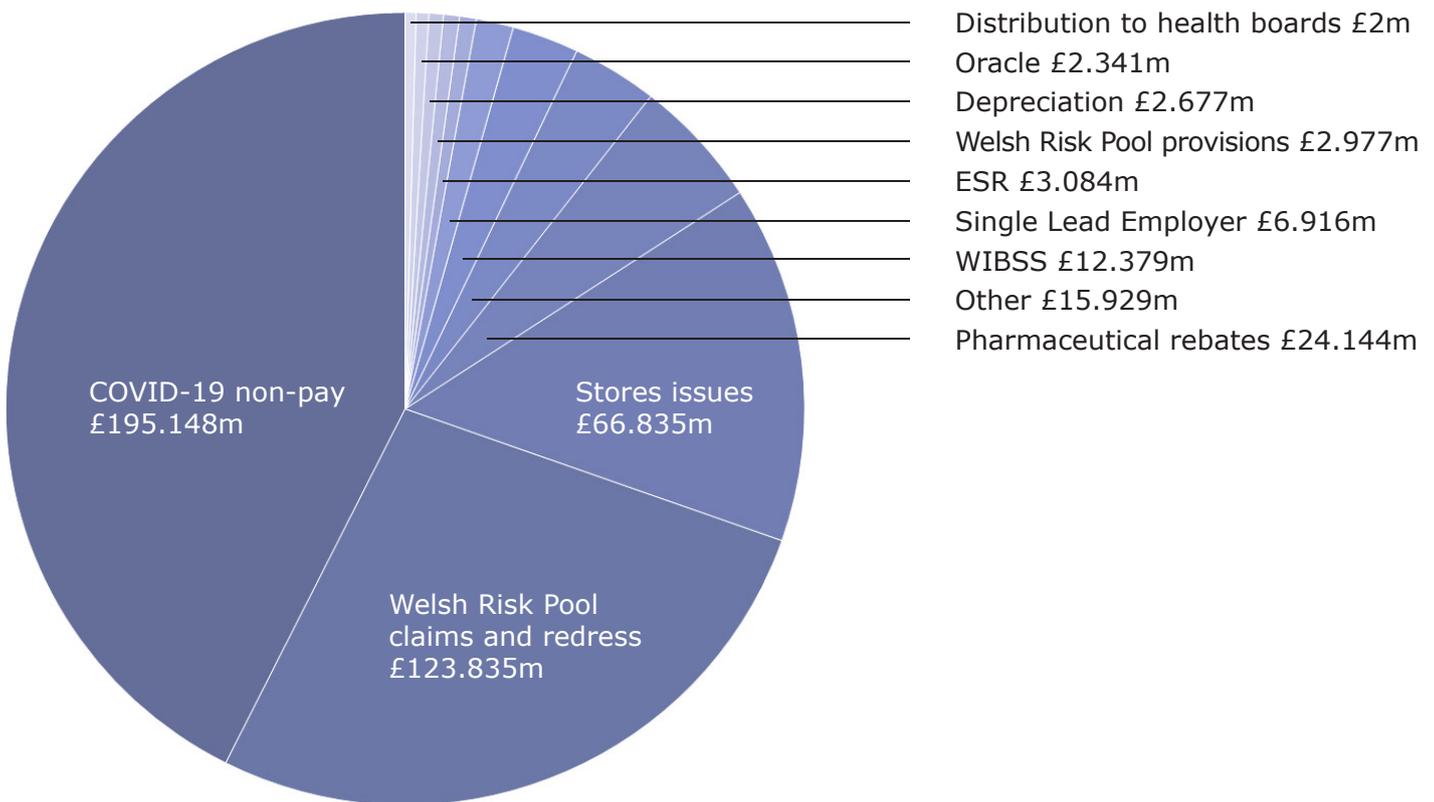
Pay spend

Spend on bank and agency staff is generally in relation to the covering of vacant posts or long-term vacancies, but is minimised as much as possible.

| Pay spend | £m |
|--------------|----------------|
| Pay | 130.780 |
| Bank | 2.761 |
| Agency | 1.295 |
| Total | 134.836 |

Non-pay spend

Non-pay spend for the 2020-21 financial year totalled £458.264m, excluding Welsh Risk Pool payments. The chart below shows the main categories of non-pay spend for the 2020-21 financial year with the 'other' spend broken down further in the table on the next page.



The table below shows the spend categorised as *Other* in the non-pay spend chart.

| Section | £m |
|--|---------------|
| Rent, rates and utilities | 3.704 |
| Computer and software costs | 3.292 |
| Vehicles and vehicle running costs | 1.976 |
| Intra-NHS charges | 1.305 |
| Trainee doctors' relocation expenses | 1.197 |
| Cleaning and maintenance | 1.139 |
| Printing and stationery | 0.989 |
| Training and conferences | 0.645 |
| Postage, carriage, packing and storage | 0.431 |
| Laboratory products | 0.429 |
| Office equipment and furniture | 0.385 |
| Professional fees | 0.202 |
| Travel and subsistence | 0.156 |
| Other | 0.079 |
| Total | 15.929 |

Capital investments

During the 2020-21 financial year, a total of £4.526m has been invested by NWSSP across a wide range of capital projects. Significant investments were made to support the All Wales COVID-19 response (£1.843m), including the establishment of the Temporary Medicines Unit, additional IT to support home working, a medicines storage facility at Picketston and additional warehouse storage and equipment.

In addition large investments were made in our IT equipment and infrastructure plus the facilitation of digital related projects (£1.441m) and the replacement and increase of our vehicle fleet (£0.910m).

| Discretionary capital categories | £m |
|-----------------------------------|--------------|
| IT | 0.431 |
| Equipment | 0.188 |
| Estates | 0.083 |
| Vehicles | 0.023 |
| Capital receipt from sale of land | -0.125 |
| Total | 0.600 |

| Additional capital schemes | £m |
|---------------------------------------|--------------|
| Supply Chain vehicles | 0.887 |
| COVID-19 - National Assets | 0.597 |
| COVID-19 - Temporary Medicines Unit | 0.536 |
| COVID-19 - IT equipment | 0.444 |
| COVID-19 - Medicines Storage Facility | 0.296 |
| NHAIS replacement service | 0.253 |
| Scan for Safety | 0.253 |
| COVID-19 - warehousing | 0.23 |
| Primary Care Services - equipment | 0.194 |
| Imperial Park works | 0.186 |
| National Workforce Reporting System | 0.163 |
| Oracle licences | 0.1 |
| Medical Examiner Service | 0.047 |
| COVID-19 - testing equipment | 0.012 |
| COVID-19 national assets | -0.272 |
| Total | 3.926 |

Key performance indicators

The table below outlines our key performance indicators and targets for the financial reporting period from 1 April 2020 to 31 March 2021.

| High level KPIs and targets | | Frequency | 2020-21 Actual | 2020-21 Target |
|-----------------------------|---|------------|-----------------|----------------|
| Internal indicators | Corporate and Finance | | | |
| | Financial position – forecast outturn | Monthly | £21k underspend | Break-even |
| | Capital financial position | Monthly | Within CRL | Within CRL |
| | Planned distribution (£m) | Annual | £2m | £0.75m |
| | NWSSP PSPP % | Monthly | 97% | 95% |
| | NWSSP Org KPIs Recruitment | | | |
| | % of vacancies approved within 10 working days | Monthly | 71% | 70% |
| | % of vacancies shortlisted within 3 working days | Monthly | 41% | 70% |
| | % of interview outcomes notified within 3 working days | Monthly | 65% | 90% |
| | Workforce | | | |
| | Staff sickness | Cumulative | 2.8% | 3.3% |
| | PADR compliance | Monthly | 80.24% | 85% |
| | Statutory and mandatory training | Monthly | 90.56% | 85% |
| | Agency % to date - not included in 2020-21 data | Cumulative | 1.19% | <0.8% |
| External indicators | Professional influence | | | |
| | Professional influence savings | Cumulative | £165m | £110m |
| | Procurement Services | | | |
| | Procurement savings *current year | Cumulative | £19m | £15m |
| | All Wales PSPP | Quarterly | 96% | 95.5% |
| | Accounts Payable % calls handled (South) | Monthly | 99% | 95% |
| | Employment Services | | | |
| | Payroll accuracy rate (Added Value) | Monthly | 99.75% | 95% |
| | All Wales Org KPIs Recruitment | | | |
| | All Wales - % of vacancy creation to unconditional offer within 71 days | Monthly | 64% | 70% |
| | % of vacancies approved within 10 working days | Monthly | 70% | 70% |
| | % of vacancies shortlisted within 3 working days | Monthly | 50% | 70% |
| | % of interview outcomes notified within 3 working days | Monthly | 69% | 90% |

| High level KPIs and targets | | Frequency | 2020-21 Actual | 2020-21 Target |
|-----------------------------|---|------------|----------------|----------------|
| Internal indicators | All Wales organisation NWSSP KPIs – recruitment element | | | |
| | % of Vacancies advertised within 2 working days of receipt | Monthly | 99% | 98% |
| | % of applications moved to shortlisting within 2 working days of vacancy closing | Monthly | 99% | 99% |
| | % of conditional offer letters sent within 4 working days | Monthly | 98% | 98% |
| | Recruitment % calls handled | Monthly | 90% | 95% |
| | Student Awards Service | | | |
| | Student Awards % calls handled | Monthly | 78% | 95% |
| | Primary Care Services | | | |
| | Primary care payments made in accordance with Statutory deadlines | Monthly | 100% | 100% |
| | Prescription – keying accuracy rates | Monthly | 99.62% | 99% |
| | Internal Audit (May) | | | |
| | Audit plans agreed | Cumulative | 100% | 100% |
| | Audits reported over total planned audits | Cumulative | 100% | 100% |
| | Report turnaround management response to draft report (15 days) | Cumulative | 79% | 80% |
| | Report turnaround draft response to final reporting (10 days) | Cumulative | 100% | 80% |
| | Specialist Estates Services | | | |
| | Professional influence | Cumulative | £26m | £16m |
| | Legal and Risk Services | | | |
| | Savings and successes | Cumulative | £120m | £65m |
| | Timeliness of advice – acknowledgement within 24 hours | Monthly | 99% | 90% |
| | Timeliness of advice response – within 3 days or agreed timescale | Monthly | 99% | 90% |
| | Welsh Risk Pool Services | | | |
| | Time from submission to consideration by the Learning Advisory Panel | Monthly | 100% | 100% |
| | Time from consideration by the Learning Advisory Panel to presentation to the Welsh Risk Pool Committee | Monthly | 100% | 100% |
| | Holding sufficient Learning Advisory Panel meetings | Monthly | 100% | 100% |

The tables overleaf outline performance against our high level KPIs and targets for the period 2020-21. In addition, each division has their own set of indicators as part of their Service Delivery Plans outlined in our Integrated Medium Term Plan (IMTP).

During 2020-21, we refreshed our Performance Framework to bring together KPIs that highlight our strategic performance, as well as the inputs and outputs needed to achieve this. We continue to provide case studies and other qualitative means to demonstrate our performance.

Where targets have not been met for the financial year 2020-21, an overview of how we are addressing performance going forward is set out below.

NWSSP Workforce KPIs

We have introduced a number of measures to improve our staff sickness. We have launched the Staff Health and Well-being Partnership Group and promote well-being champions, advertising a range of benefits staff have access to and have put in place a peer support group network. Fantastic progress continues to be made on the development of our health and well-being programmes within NWSSP. A large proportion of our wellbeing support to date has been provided by the Mental Health First Aiders (MHFA). The Mental Health Support Group is also evolving with 20 people engaging with the group in October. We have a growing network of Health and Well-being Champions based in departments across NWSSP (up to 36 at last count). These are a first point of call for Health and Well-being queries, with their role being the provision of initial support, signposting/referring on to MHFAs.

The end of year reporting for PADR completion reflects a slight increase due to the effects of COVID-19 pandemic felt by key service areas, towards the end of the reporting period. Sickness absence rates are at the lowest they have been in years – tracking between 1–1.5% lower than comparator months pre-pandemic. Having reviewed the data there is a significant positive impact in areas where we have seen staff working remotely, with reduced sickness absence being reported.

In areas where employees need to be in the workplace, with the exception of the month of April (first month of COVID-19) where we did see a rise, the rates in those not working remotely have been consistent with the sickness levels before COVID-19. Our improvement in sickness absence is therefore linked to our remote workers.

Initially additional support was required from agency staff due to the effects of COVID-19 in key service areas. We have since committed to engaging agency workers via the bank in order to keep within targets, going forward. Positive progress has been made with engaging Bank Workers, with over 200 workers on our system.

NHS Wales Recruitment KPIs

As a service that provides recruitment administration for all NHS organisations in Wales, we work collaboratively with Organisations to ensure activities are processed efficiently, but also safely.

To aid their efficiency we provide them with the following support:

- Access to the Trac Recruitment system 24 hours a day, 7 days a week;
- Recruitment Helpdesk open 08:30–16:30 Monday to Friday;
- A comprehensive package of 'Reducing time to hire' resources including bespoke sessions, top tips and FAQs;
- Web based documentation, instructions and templates;
- Classroom training, taking place virtually for each health board area;
- User groups for more general questions and updates; and
- Surveys at each stage of the process to obtain feedback from candidates and managers.

We make performance data available to organisations on a monthly basis and follow this reporting up with regular customer meetings, where we advise workforce teams on how to support managers to turn around recruitment activity more efficiently. We are constantly reviewing the process and engaging with new technologies such as robotics to streamline further and add more value into the way we conduct recruitment activity.

NHS Wales Internal Audit KPIs

Report turnaround management response to draft report (15 days) which measures the performance of turnaround times within the health organisation. The target has slightly been missed however Heads of Audit continually discuss these delays directly with health organisations.

Call Handling

To improve call handling within some of our divisions NWSSP has setup a contact centre working group to look at:

- The current services provided to our customers;
- Understanding how our current and future customers want to contact NWSSP;
- Sharing practice and learning across our current contact centres to help drive improved performance and quality;
- Understanding how other non-NHS contact centres operate; and
- What future options NWSSP should consider for its contact centre provision.

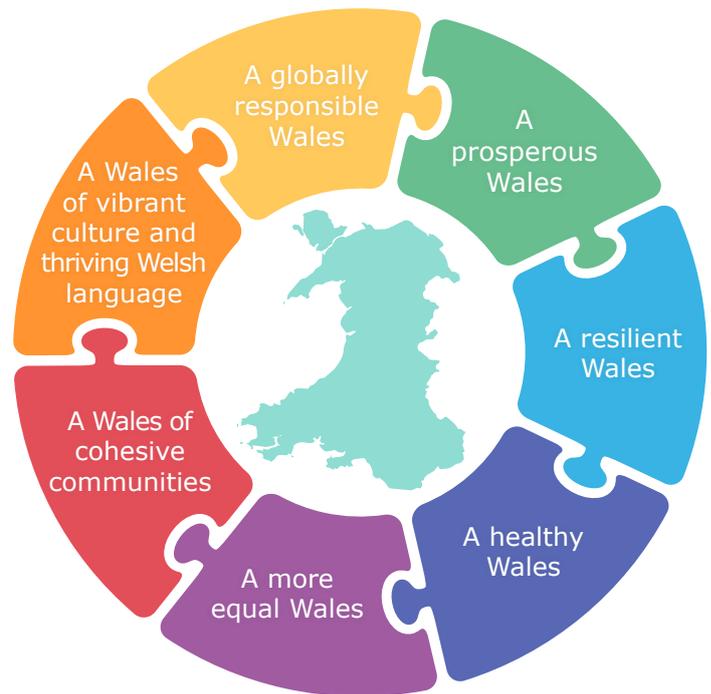
Sustainable development



Well-being of Future Generations

The Well-being of Future Generations (Wales) Act 2015 sets out ambitious, long-term goals to reflect the Wales we want to see, both now and in the future. We recognise the importance of future generations, teamed with our NHS Wales and wider scope of influence with the shared services functions we provide.

For this reason, the content of the Act is the golden thread running through the heart of everything we do, underpinning our policies, strategies, and plans. Embedding the five ways of working ensures we safeguard the needs of future generations without compromising those of the present. It ensures our robust governance arrangements improve the cultural, social, economic, and environmental well-being of Wales, through the Sustainable Development Principle.



During 2020-21 we adopted and incorporated the Future Generations Commissioner's Journey Checker approach into our planning arrangements. To capture the simple chances, we wanted to improve existing services, as well as create new service developments, where we will lead the way; in doing so, we established six key themes that we aim to deliver over the life cycle of the Integrated Medium-Term Plan:

- Support the delivery of sustainable Primary Care;
- Enhancing service support and customer support;
- Once for Wales opportunities for service delivery;
- Sharing best practice and informing decisions;
- NWSSP going from strength to strength; and
- Supporting major capital transformation projects.

Allied to this approach is the need to tackle climate change and to promote the Foundational Economy. Decarbonisation underpins our strategy for delivering services and the following pages provide many examples of how we are delivering this in practice. One key achievement in reducing our carbon footprint is to reduce reliance on imports from overseas and the early months of the pandemic and the scramble for PPE helped to demonstrate how much reliance is currently placed on countries such as China for these products. Developing a Foundational Economy within Wales not only helps to reduce the carbon footprint but provides greater resilience and promotes local businesses and jobs. A framework contract has recently been let to open up opportunities for service and product provision to more local companies, and many Welsh businesses have applied to be listed on the framework which is very encouraging.

Sustainable development principle

We are highly committed to developing and implementing a Once for Wales approach, where appropriate. It is vital that we embed the Sustainable Development Principles of the Well-being of Future Generations Act and in highlighting the best practice of integrated reporting, we have mapped our highlights and achievements against the 'Five Ways of Working'. These require us to think about the long term, integrate with the wider public sector, involve our partners and work in collaboration, in order to prevent problems and take a more joined up approach to service delivery.



Long term



Integration



Involvement



Collaboration



Prevention

Long term

1. To extend our work supporting the Foundational Economy in Wales. Shortening the supply chain will provide resilience and enhance the economic growth of Welsh Businesses. Working with Welsh suppliers will also increase sustainability and reduce the carbon footprint further.
2. Greater emphasis and consideration for the life-cycle perspective of waste associated with our activities; the 'reduce, reuse and recycle' ethos; implementation of recycling schemes on sites for specific waste streams (e.g., spectacles, bottle tops, batteries, photocopier toners, stamps, crisp packets, pens, and stationery with Terracycle, textiles with Wales Air Ambulance). Purchase of single-use plastics is prohibited.
3. The ongoing implementation of solar panels at IP5 and other sites.
4. Reduction of Emission limits across the Lease Car Scheme for diesel/petrol cars to promote the attraction of electric vehicles.

Integration

1. Decarbonisation is embedded into the IMTP planning process and our Strategic Objectives and key deliverables merge with our Well-being Goals; integration and embedding of the agenda; greater focus on integrated reporting.
2. Implementation of cycle shelters across sites in support of sustainable travel.
3. Our carbon footprint monitoring is a well-integrated process, and we are looking to further integrate waste and water usage to improve our data collection and accuracy across all sites.
4. Strengthening links and aligning our local Sustainable Development & ISO14001

Groups, including the revision of our Sustainability Objectives; working in partnership with Interested Parties and key stakeholders.

5. Annual Staff Recognition Awards Ceremony held with inclusion of an Environmental Sustainability category.

Involvement

1. A Health and Well-being Staff Partnership Group has been implemented and is chaired by the Director of Finance & Corporate Services.
2. Director of People and OD acting in capacity as our Anti-Slavery and Ethical Employment in Supply Chain Champion signed our Ethical Employment Statement for 2020-21.
3. Opportunities for staff to get involved in the agenda and make a difference through becoming a volunteer Environmental Champion. Monthly litter picks take place across sites.

Collaboration

1. Working in partnership with colleagues, customers, and partners to take part in initiatives such as NHS Sustainability Day, Keep Wales Tidy, WRAP Cymru, etc.
2. Sustainability website revamp conducted to be a single hub of information that is up to date and relevant for users; conducted through engagement with Interested Parties and key stakeholders.
3. NWSSP purchase electricity and gas for the whole of NHS Wales (circa £20m). 100% of the electricity purchased is from renewable sources.

Prevention

1. Sustainability Risk Assessments undertaken for all procurement activity over £25,000 - audits of this process are carried out.
2. Implementation of an Agile Working Toolkit allowing staff to work flexibly in line with organisational requirements. Reducing usage of scarce and finite resources, such as paper and energy. A 75% reduction in business mileage was achieved during 2020-21 compared to the prior year.
3. Recording of green energy sites, boasting zero carbon emissions from usage at Alder House, Charnwood Court, Denbigh Stores and Westpoint Industrial Estate.
4. A number of Electric Vehicle Charging Points are installed across 12 sites. Further developments to install additional units underway.

Sustainability performance and objectives

NWSSP is committed to managing its environmental impact, reducing its carbon footprint and integrating the sustainable development principle into day-to-day business. NWSSP successfully implemented ISO14001 as its Environmental Management System (EMS), in accordance with Welsh Government requirements and have successfully maintained certification since August 2014, through the operation of the Plan, Do, Check, Act model of continuous improvement.

In August and September 2021, NWSSP successfully achieved its ISO14001:2015 recertification audit conducted by the British Assessment Bureau. Annual surveillance audits are undertaken to assess continued compliance with the Standard. The ISO14001:2015 Standard places greater emphasis on protection of the environment, continuous improvement through a risk process-based approach and commitment to top-down leadership, whilst managing the needs and expectations of interested parties and demonstrating sound environmental performance, through controlling the impact of activities, products, or services on the environment. NWSSP is committed to environmental improvement and operates a comprehensive EMS in order to facilitate and achieve the Environmental Policy.



We are committed to reducing our carbon footprint by implementing various environmental initiatives and efficiencies at our sites within the scope of our ISO14001:2015 certification. As part of our commitment to reduce our contribution to climate change, a target of 3% reduction in our carbon emissions (year on year, from a baseline of carbon footprint established in 2016-17), was agreed and this was reflected within our Environmental Sustainability Objectives.

2020-21 was obviously a year dominated by COVID-19. Many of our staff were working from home, thereby significantly reducing carbon emissions through not commuting to work, albeit that these savings are difficult to measure within NWSSP. However, despite this, none of our buildings were closed and therefore all required heating and lighting, and activity in IP5 and stores to respond to the needs of NHS Wales and others in battling the impact of the pandemic, particularly with regards to the provision of medical equipment and PPE, significantly increased. The provision of electric vehicles charging points at many sites has also increased the amount of electricity used, albeit that this is green electricity, and the provision of this facility has benefits in making electric cars and fleet vehicles more attractive to NHS Wales and its staff, thus reducing emissions from fossil fuels. However, the benefits from this fossil fuel reduction are impossible to measure for NWSSP, particularly as this facility is available to all NHS Wales staff. Despite these challenges, NWSSP has been able to demonstrate significant reductions in energy usage where it is possible to directly compare with the previous year.

| | Target | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Achieved |
|---|------------------|------------|-------------|-------------|--------------------------------|---|
| Electricity CO₂e  | 3% ↓ | 18% ↓ | 11.5% ↓ | 27% ↓ | 15% ↓ |  |
| Gas CO₂e  | 3% ↓ | 7% ↓ | 38% ↓ | 35% ↑ | 32% ↓ |  |
| Water m³  | 3% ↓ | 9% ↓ | 6% ↑ | 50% ↓ | 46% ↓ |  |
| Waste CO₂e Recycled/recovered  | 70% ↓ | 95% ↓ | 89% ↓ | 94.68% ↓ | Not calculated, see note below | |
| Business mileage  | 15% by 2021 ↓ | 11% ↓ | 10% ↑ | 19% ↓ | 75% ↓ |  |
| Business mileage expenditure  | 15% by 2021 ↓ | 15% ↓ | 11% ↑ | 14% ↓ | 71% ↓ |  |
| Overall carbon footprint  | | 3.78% ↓ | 11.32% ↓ | 12.04% ↓ | 16.25% ↓ | |

The above figures exclude (for comparison purposes): Cwmbran Stores which closed at the end of 2019-20, IP5 which only became fully operational during 2020-21 and Cwmbran House, where there appears to be a significant anomaly in the figures which is currently being investigated.

Agile working was introduced in March 2020 amid the pandemic and waste data was not available for the period. A significant decline of waste at corporate sites has been noted and should continue remain low and/or could reduce further due to home working. Baseline figures will be reported for 2021-22.

Ethical employment in supply chain and modern slavery

The Code of Practice was established by Welsh Government to support the development of more ethical supply chains to deliver contracts for the Welsh public sector organisations in receipt of public funds. Evidence illustrates that unethical employment practices are taking place in supply chains throughout Wales and beyond. The Code is designed to ensure that workers in public sector supply chains are employed ethically and in compliance with both the letter and spirit of UK, EU and International laws.

It covers employment issues such as modern slavery, human rights abuses, blacklisting, false self-employment, unfair use of umbrella schemes, zero hours contracts and paying the living wage. We have committed to ensuring that procurement activity conducted on behalf of NHS Wales is done so in an ethical way. We will ensure that workers within the supply chains through which we source our goods and services are treated fairly. We signed up to the Code and developed an action plan to monitor our progress. We appointed our Director of Workforce and Organisational Development as our Ethical Employment Champion.

Transparency in Supply Chains (TiSC) is a centralised database that gives access to Modern Slavery Statements posted by suppliers. These Statements are used during tendering exercises undertaken, as part of the Ethical Employment Code of Practice Commitments. The site allows NWSSP to publicly declare our anti-slavery stance and associated policies. The site is sponsored by Welsh Government and acts as a step towards eradicating modern slavery in supply chains.



NWSSP Procurement Services has provided training to those involved in procuring on modern slavery and ethical employment practices, through various mediums of training; developed standard questions that ensure ethical employment practices are considered as part of the procurement process; became a signatory to the TiSC register and published NWSSP's Ethical Employment Statement; requested our suppliers sign up to the TiSC register and publish their own policies and statements; and influenced our hosts, Velindre University NHS Trust, to update their overarching Raising Concerns (Whistle-blowing) Policy and developed communications to support its effective promotion.

Appendix: Workforce data



Appendix: Workforce data

A breakdown of our diverse workforce profile, as at **31 March 2021**, is set out below. Where reference is made to the categories of 'unspecified', no data is currently held for the data field, for 'not disclosed' a response has not been entered into the data field.

Source of data: Electronic Staff Record

Staff in post

| NWSSP directorate or section | Headcount | FTE |
|---|-----------|----------|
| Accounts Payable | 132 | 126.55 |
| Audit and Assurance Services | 53 | 50.96 |
| Corporate | 37 | 32.36 |
| Counter Fraud Service | 7 | 7.00 |
| Digital Workforce Solutions | 18 | 17.00 |
| eBusiness Central Team | 14 | 12.33 |
| Employment Services | 368 | 335.05 |
| • Employment Services Management Service | 16 | 15.19 |
| • Expenses | 24 | 21.39 |
| • Payroll | 175 | 159.99 |
| • Pensions | 39 | 35.84 |
| • Recruitment | 101 | 90.79 |
| • Student Awards | 13 | 11.85 |
| Finance | 19 | 18.49 |
| Hosted Services | 8 | 7.60 |
| Legal and Risk Services | 134 | 124.29 |
| Medical Examiner Unit | 34 | 12.40 |
| People and Organisational Development | 37 | 35.39 |
| Planning, Performance and Informatics Directorate | 24 | 22.87 |
| Primary Care Services | 300 | 276.01 |
| • Engagement and Support Services | 82 | 78.62 |
| • Modernisation and Technical Services | 1 | 1.00 |
| • Primary Care Management Services | 6 | 6.00 |
| • Prescribing | 23 | 22.23 |
| • Transaction Services | 188 | 168.16 |
| Procurement Services | 642 | 601.35 |
| • Corporate Procurement Services | 17 | 15.53 |
| • Health Courier Service | 204 | 178.39 |
| • Local Procurement Services | 130 | 124.95 |
| • Sourcing Services | 111 | 105.46 |
| • Supply Chain Services | 180 | 177.01 |
| Single Lead Employer | 1,638 | 1,563.60 |
| Specialist Estates Services | 49 | 48.11 |

| | | |
|---------------------------------------|--------------|-----------------|
| Surgical Materials Testing Laboratory | 21 | 19.32 |
| Temporary Medicines Unit | 11 | 11.00 |
| Welsh Language Unit | 4 | 3.80 |
| Total | 3,550 | 3,325.47 |

Age profile by headcount

| Age band | Headcount | Percentage of workforce | FTE |
|--------------|--------------|-------------------------|----------------|
| <=20 | 10 | 0.28% | 10.00 |
| 21-25 | 496 | 13.97% | 492.17 |
| 26-30 | 715 | 20.14% | 691.06 |
| 31-35 | 655 | 18.45% | 607.35 |
| 36-40 | 397 | 11.18% | 365.56 |
| 41-45 | 278 | 7.83% | 254.30 |
| 46-50 | 287 | 8.08% | 267.89 |
| 51-55 | 290 | 8.17% | 268.55 |
| 56-60 | 246 | 6.93% | 225.81 |
| 61-65 | 135 | 3.80% | 116.65 |
| 66-70 | 25 | 0.70% | 17.57 |
| >=70 | 16 | 0.45% | 8.55 |
| Total | 3,550 | 100.00% | 3325.47 |

Assignment category by headcount

| Assignment category | Headcount | Percentage of workforce | FTE |
|------------------------------|--------------|-------------------------|----------------|
| Fixed term temporary | 1,783 | 50.23% | 1679.89 |
| Non-executive director/chair | 1 | 0.03% | 1.00 |
| Permanent | 1,766 | 49.75% | 1644.58 |
| Total | 3,550 | 100.00% | 3325.47 |

Gender by headcount

| Gender | Headcount | Percentage of workforce | FTE |
|--------------|--------------|-------------------------|----------------|
| Female | 1,964 | 55.32% | 1798.88 |
| Male | 1,586 | 44.68% | 1526.59 |
| Total | 3,550 | 100.00% | 3325.47 |

Employee category and gender by headcount

| | Part time | Full time |
|--------|-----------|-----------|
| Female | 1,457.00 | 1,439.00 |
| Male | 507.00 | 147.00 |

Marital status by headcount

| Marital status | Headcount | Percentage of workforce | FTE |
|-------------------|--------------|-------------------------|----------------|
| Civil partnership | 26 | 0.73% | 24.26 |
| Divorced | 119 | 3.35% | 111.08 |
| Legally separated | 10 | 0.28% | 9.32 |
| Married | 1,261 | 35.52% | 1134.06 |
| Single | 979 | 27.58% | 931.83 |
| Unknown | 823 | 23.18% | 791.86 |
| Unspecified | 16 | 0.45% | 14.24 |
| Widowed | 316 | 8.90% | 308.82 |
| Total | 3,550 | 100.00% | 3325.47 |

Sexual orientation by headcount

| Sexual orientation | Headcount | Percentage of workforce | FTE |
|--|--------------|-------------------------|----------------|
| Bisexual | 16 | 0.45% | 15.60 |
| Gay or lesbian | 40 | 1.13% | 38.26 |
| Heterosexual or straight | 2,024 | 57.01% | 1880.04 |
| Not stated (person asked but declined to provide a response) | 167 | 4.70% | 154.96 |
| Undecided | 2 | 0.06% | 1.60 |
| Unspecified | 1,301 | 36.65% | 1235.01 |
| Total | 3,550 | 100.00% | 3325.47 |

Ethnicity by headcount

| Ethnic group | Headcount | Percentage of workforce | FTE |
|--------------|--------------|-------------------------|----------------|
| Blank | 908 | 25.58% | 873.93 |
| BME | 342 | 9.63% | 322.39 |
| Not stated | 123 | 3.46% | 114.68 |
| White | 2,177 | 61.32% | 2014.47 |
| Total | 3,550 | 100.00% | 3325.47 |

Religion by headcount

| Religious belief | Headcount | Percentage of workforce | FTE |
|--|--------------|-------------------------|----------------|
| Atheism | 464 | 13.07% | 434.89 |
| Buddhism | 10 | 0.28% | 9.49 |
| Christianity | 1,052 | 29.63% | 966.59 |
| Hinduism | 34 | 0.96% | 29.73 |
| I do not wish to disclose my religion/belief | 320 | 9.01% | 300.15 |
| Islam | 119 | 3.35% | 112.39 |
| Judaism | 1 | 0.03% | 1.00 |
| Other | 188 | 5.30% | 180.37 |
| Sikhism | 8 | 0.23% | 7.23 |
| Unspecified | 1,354 | 38.14% | 1283.62 |
| Total | 3,550 | 100.00% | 3325.47 |

Disability status by headcount

| Disability flag | Headcount | Percentage of workforce | FTE |
|----------------------|--------------|-------------------------|----------------|
| No | 2,496 | 70.31% | 2351.16 |
| Not declared | 67 | 1.89% | 56.78 |
| Prefer not to answer | 1 | 0.03% | 1.00 |
| Unspecified | 910 | 25.63% | 847.39 |
| Yes | 76 | 2.14% | 69.15 |
| Total | 3,550 | 100.00% | 3325.47 |



GIG
CYMRU
NHS
WALES

Partneriaeth
Cydwasaethau
Shared Services
Partnership

Contact us

Thank you for reading our Annual Review. If you would like to find out more about our organisation or comment on this publication please visit our website, our social media channels, or use the contact details below.

| | |
|-----------------------|---|
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| | |
|--|--|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| AGENDA ITEM | |
| PREPARED BY | Peter Stephenson, Head of Finance and Business Development |
| PRESENTED BY | Andy Butler, Director of Finance |
| RESPONSIBLE HEAD OF SERVICE | Andy Butler, Director of Finance |
| TITLE OF REPORT | Review of SSPC Standing Orders |

PURPOSE

To update the Committee of recent changes to Shared Services Partnership Committee Standing Orders, to include amendments to expenditure limits.

1. INTRODUCTION

To ensure effective, robust and up to date governance arrangements are in place for the SSPC, the SOs are reviewed on at least an annual basis and were last updated in November 2021, being endorsed by the SSPC and approved at Velindre University NHS Trust Board. A summary of the amendments made are set out at **Appendix 1**.

2. GOVERNANCE AND ASSURANCE

Revision of the document to ensures its relevance is a key element of the corporate governance arrangements of the SSPC and provides assurance that the SOs are compliant with Welsh Government directives and Model Standing Orders, up to date with emerging legislation and regulatory guidance and ensures consistency in managing the business of Committee. The updated SOs are approved by the Velindre University NHS Trust Board, once noted and endorsed by the SSPC.

3. RECOMMENDATION

The Committee is asked to **NOTE** the amendments set out in Appendix 1.

Appendix 1 – Summary of Amendments to SSPC SOs (January 2022)

| Page(s) | Amendment |
|-------------------------|---|
| 72 | The reinstatement of the increased temporary financial limits for COVID-19 expenditure with further review at 30 June 2022. |
| 14, 70, | Change in job title for the previous Deputy Director of Finance to the Director of Planning, Performance, and Informatics. |
| 69 | Additional authority for the Director of Planning, Performance, and Informatics for general expenditure. |
| 3, 7, 14, | The recognition of Digital Health & Care Wales as the twelfth NHS organisation in Wales. |
| Various | The change in title of the Senior Leadership Team to the Senior Leadership Group. |
| 16, 100, 101, | The removal of the temporary wording of the tenure of the Chair which had previously been amended to include the provisions of Regulation 3 of the National Health Service (Temporary Disapplication of Tenure of Office) (Wales) (Coronavirus) Regulations 2020. |
| 14, 25, 29, 64, 65, 69, | The change in job title of the Director of Workforce and Organisational Development to the Director of People and Organisational Development. |
| 30 | The inclusion of reference to the Welsh Language Standards. |
| 69 | The deletion of reference to Charitable Funds in the Scheme of Delegation as this is not applicable to NWSSP. |
| Various | Correction of some minor grammatical errors. |

| | |
|------------------------------------|---|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| PREPARED BY | Peter Stephenson, Head of Finance and Business Development |
| PRESENTED BY | Peter Stephenson, Head of Finance and Business Development |
| RESPONSIBLE HEAD OF SERVICE | Andy Butler, Director of Finance and Corporate Services |
| TITLE OF REPORT | NWSSP Corporate Risk Register – January 2022 |

PURPOSE

To provide the Audit Committee with an update as to the progress made against the organisation's Corporate Risk Register.

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 2022 |
|----------------------------|---------------------|
| Red Risk | 1 |
| Amber Risk | 7 |
| Yellow Risk | 1 |
| Green Risk | 1 |
| Total | 10 |

2.1 Red-rated Risks

There is one current red risk relating to the current pressures on the recruitment and payroll functions in particular, due to the unprecedented increased in demand for their services across NHS Wales. This matter has been discussed as part of the Managing Director's update earlier on the agenda.

2.2 Changes to Risk Profile

No new risks have been added since the last meeting of the Committee.

3. RISKS FOR MONITORING

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

| Current Risk Rating | January 2022 |
|----------------------------|---------------------|
| Red Risk | 0 |
| Amber Risk | 0 |
| Yellow Risk | 2 |
| Green Risk | 6 |
| Total | 8 |

4. RECOMMENDATION

The Audit Committee is asked to:

- **NOTE** the Corporate Risk Register.

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 Northern Ireland model procured to replace the NHAIS system fails to deliver the anticipated benefits within required timescales impacting the ability to pay GPs (Original risk added April 2017) | 4 | 5 | 20 | Legal Counsel advice received. PMO Support Project and Programme Boards in place Heads of Agreement signed | 2 | 5 | 10 | Programme and Project Boards to review progress in lead-up to go-live date for GP payments. Consider options for extension of Local Hosting Arrangements until mid-2022 for PCRM. | Although the system is in a 'technical' live position, following a review of the level of quality assurance needed and practice engagement, all Health Boards will now be on-boarded to the live system by the end of March 2022. Whilst there is a small risk associated with this plan as no further contingency is available from NHS Digital, the project board agreed that there is greater risk associated with pushing for a January go live. | ↓ | 31-Mar-22 |
| | Escalated Directorate Risk | | | | | | | | | Risk Lead: Director of Primary Care Services | | |
| A2 | Issues with the current version of CLERIC are causing connectivity issues leading to service issues for HCS drivers (added Sept 2021). There is a concern over lack of technical support to oversee the migration to a CLOUD-based service. | 5 | 4 | 20 | Business Continuity Plans implemented - can revert to paper if necessary but very inefficient. New contract signed December 2021 | 2 | 4 | 8 | Investigate whether WAST could provide any support (TC) | Transfer to fully managed service with CLERIC will solve problem but there are risks associated with the upgrade, not least a lack of technical support within NWSSP as NL may not be available. Although could revert to paper if system unavailable this is highly inefficient and threatens the viability of the Vaccination Programme. The new contract was awarded on 1 Dec 2021, preparations for deployment are ongoing, with go live expected to be during February. | ↓ | 28-Feb-22 |
| | Strategic Objective - Customers | | | | | | | | | Risk Lead: Director of Procurement Services | | |
| A3 | Lack of storage space across NWSSP due to increased demands on space linked to COVID and specific requirements for IP5 (added April 2021) | 4 | 4 | 16 | IP5 Board Additional facilities secured at Picketston | 2 | 4 | 8 | PCS reviewing options for medical records storage - additional space is available from Johnseys on Mamhilad site. | Discussions are on-going with Welsh Government with regards to the Strategic Outline Case for IP5. Welsh Government have also agreed to cover the running costs of the facility for the current financial year as part of the overall COVID and BREXIT contingency arrangements. We are awaiting news on further capital allocations to cover the costs of additional roller-racking for increased stock holding requirements. | → | 31-Mar-22 |
| | Strategic Objective - Service Development | | | | | | | | | Risk Lead: Director of Procurement Services | | |
| A4 | Suppliers, Staff or the general public committing fraud against NWSSP. (added April 2019) | 5 | 3 | 15 | Counter Fraud Service Internal Audit WAO PPV National Fraud Initiative Counter Fraud Steering Group Policies & Procedures Fraud Awareness Training Fighting Fraud Strategy & Action Plan | 4 | 3 | 12 | 1. Make better use of NFI (PS 31/12/21) 2. Produce Action Plan from Audit Wales "Raising ourGame" report (PS Complete) 3. Undertake IA review of enhanced controls to prevent bank mandate fraud (AB/PS 31/12/21) 4. Increase LCFS resource (AB/PS 31/12/21) | Risk increased due to COVID-19 and significant increase in expenditure. Further Audit Wales report demonstrates that NHS Wales is in a good place for fraud prevention and detection compared to Central and Local Government but there are still further actions to be undertaken. Starting to get access to NFI. March 21 saw a number of actual and potential frauds around bank mandates. See separate risk below. C&V Have appointed a further LCFS that will increase the resource available to NWSSP. | → | 31-Mar-22 |
| | Strategic Objective - Value For Money | | | | | | | | | Risk Lead: Director of Finance & Corporate Services | | |
| A5 | Specific fraud risk relating to amendment of banking details for suppliers due to hacking of supplier e-mail accounts leading to payments being made to fraudsters (added April 2021) | 5 | 3 | 15 | Documented process for bank mandate changes Role of Supplier Maintenance Team Authorisation by Senior Finance Staff Internal Audit Reviews Experian Bank Mandate Checker | 2 | 3 | 6 | Undertake IA review of effectiveness of enhanced controls (AB/PS 31/03/22). | There were a spate of fraudulent bank mandate amendments during March/April 2021 - some of which were successful. Procedures have been reviewed and enhanced. Experian software procured but coverage not as good as anticipated. Use of post to send out forms seems to have prevented opportunity for fraud. | → | 31-Mar-22 |
| | Strategic Objective - Value For Money | | | | | | | | | Risk Lead: Director of Finance & Corporate Services | | |

| | | | | | | | | | | | | |
|---|--|---|---|----|--|---|---|----|--|---|---|-----------|
| A6 | Risk of cyber attack exacerbated if NWSSP, or other NHS Wales organisations, run unsupported versions of software. (added Apr 2019) | 5 | 5 | 25 | Cyber Security Action Plan Stratia Consulting Review IGSG Information Governance training Mandatory cyber security e-learn introduced Dec 19 Internal Audit review - Reasonable Assurance (April 2020) Recent investment in training packages (March 2021) Additional appointment to team (July 21) | 2 | 5 | 10 | Follow up progress with Cyber Security Plan (PS On-going) NL to further update the SLT in the light of the recent Audit Wales report (NL Complete) Update information on systems as part of NIS compliance (NL 31/08/21 - complete) Undertake phishing training exercises with NWSSP staff (NL 31/07/21 - complete) | Nick Lewis presented update to April 2021 Audit Committee and October 2021 SLG. E-learn introduced during 2020. Windows 10 migration delayed by COVID but now complete Phishing exercise being undertaken - July 2021 New team member commenced 1/9/2021 | → | 31-Mar-22 |
| | Strategic Objective - Service Development | | | | | | | | | | | |
| A7 | The failure to engage with appropriate specialists (e.g. H&S/Fire Safety, Information Security/IG) sufficiently early enough when considering major developments may result in actions being taken that do not consider all relevant potential issues. | 4 | 4 | 16 | In-house H&S and Fire Safety Expertise Role of PMO Recent appointment of Programme Director | 3 | 4 | 12 | PMO to ensure that Project Officers consult appropriately at outset of project. (IR-ongoing) Consider adequacy of resourcing within H&S. (AB/PS - complete) | All organisations contributing towards a Fire & Evacuation Strategy for IP5. Additional H&S staff member recruited (Jan 22) | → | 31-Mar-22 |
| | Strategic Objective - Service Development | | | | | | | | | | | |
| A8 | Performance issues resulting from the recent upgrade of ORACLE. | 4 | 4 | 16 | Project Risk Register | 1 | 3 | 3 | Actions documented in Project Risk Register | The upgrade was completed on 19 October. There have been some issues with stability and performance but nothing that impacts patient or business-critical systems. | ↓ | 31-Jan-22 |
| | Strategic Objective - Service Development | | | | | | | | | | | |
| A9 | The demand on services within Employment Services as a result of Health Boards taking on substantial numbers of staff to respond to and recover from the pandemic, is unsustainable, leading to poor levels of performance. | 4 | 4 | 16 | Established working practices governed by Service Level Agreements and measured by reporting of KPIs on monthly basis. | 4 | 4 | 16 | Additional staff being recruited Use of students from Cardiff University Temporary support from other Directorates Modernisation Programme being implemented Accessing KickStart scheme | Focus on training staff on pinch points rather than whole process Backlog in applications in Student Awards reduced from 1800 to <800. | ↑ | 31-Jan-22 |
| | Strategic Objective - Customers | | | | | | | | | | | |
| A10 | 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 | All-Wales Programme Business Case 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 | 3 | 4 | 12 | Arrange internal audit review of Laundry service (AB/PS - complete) Prioritised report to be submitted to SLGs to monitor progress. (on-going) | Transfer has now taken place for all of the 5 laundries, although arrangements are different for Hywel Dda and Cwm Taf. Updates provided to SLG. IA review focused on Swansea Laundry provides reasonable assurance. Choice of new sites in North Wales and Swansea apparently well received. | → | 31-Mar-22 |
| | Strategic Objective - Service Development | | | | | | | | | | | |
| Risks for Monitoring | | | | | | | | | | | | |
| M1 | Disruption to services and threats to staff due to unauthorised access to NWSSP sites. (Added May 2018) | 5 | 4 | 20 | Manned Security at Matrix CCTV Locked Gates installed at Matrix. Security Review Undertaken (reported Dec 18) Increased Security Patrols at Matrix. CTSA undertake annual reviews of high risk buildings e.g. IP5, Picketston | 1 | 4 | 4 | Continue to monitor, and reissue comms to all staff to remind them of need to keep buildings and information secure. (PS 31/08/2020 - complete) Consider whether further review of Site Security is required (PS 31/12/2021) | Security Review undertaken and reported to SMT in Dec 2018. No major findings and all agreed actions implemented or superceded. | → | |
| | Strategic Objective - Staff | | | | | | | | | | | |
| Risk Lead; Director Specialist Estates Services/Director of Finance and Corporate 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. | | | | |

| Consequence | | | | | |
|--|---------------|----------|----------|----------|--------------|
| Likelihood | Insignificant | Minor | Moderate | Major | Catastrophic |
| Almost Certain | Yellow 5 | Amber 10 | Red 15 | Red 20 | Red 25 |
| Likely | Yellow 4 | Amber 8 | Amber 12 | Red 16 | Red 20 |
| Possible | Green 3 | Yellow 6 | Amber 9 | Amber 12 | Red 15 |
| Unlikely | Green 2 | Yellow 4 | Yellow 6 | Amber 8 | Amber 10 |
| Rare | Green 1 | Green 2 | Green 3 | Yellow 4 | Yellow 5 |
| Red: Critical - Urgent action and attention by senior management to reduce risk | | | | | |
| Amber: Significant - Management consideration of risks and reduction within 6 months | | | | | |
| Yellow: Moderate - Monitoring of risks with a view to being reduced within 12 months | | | | | |
| Green: Low - These risks are considered acceptable | | | | | |

| | |
|---|-----------------|
|  | New Risk |
|  | Escalated Risk |
|  | Downgraded Risk |
|  | No Trend Change |



| | |
|------------------------------------|---|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| PREPARED BY | Carly Wilce, Corporate Services |
| PRESENTED BY | Peter Stephenson, Head of Finance & Business Development |
| RESPONSIBLE HEAD OF SERVICE | Andy Butler, Director of Finance and Corporate Services |
| TITLE OF REPORT | Update on the Implementation of Audit Recommendations |
| PURPOSE | <p>This report provides an update to the Audit Committee on the progress of audit recommendations within NWSSP. Please note that this report does not include figures and assurance ratings for the audit reports listed on the present Audit Committee agenda.</p> |

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 **63** reports covered in this review; **15** reports have achieved **Substantial** assurance; **29** reports have achieved **Reasonable** assurance, **0** reports have been awarded **Limited** assurance or **No Assurance**; and **19** reports were generated with **Assurance Not Applicable**. The reports include **244** recommendations for action.

Table 1 - Summary of Audit Recommendations

| As at 20 January 2022 | | | | | |
|------------------------------|------------|--------------------|--------------------|----------------|-------------------------|
| Recommendations | | Implemented | Not Yet Due | Overdue | Not NWSSP Action |
| Internal Audit | 200 | 195 | 3 | 1 | 1 |
| <i>High</i> | 18 | 18 | 0 | 0 | 0 |
| <i>Medium</i> | 96 | 93 | 2 | 0 | 1 |
| <i>Low</i> | 74 | 72 | 1 | 1 | 0 |
| <i>Not Applicable</i> | 12 | 12 | 0 | 0 | 0 |
| External Audit | 13 | 7 | 6 | 0 | 0 |
| <i>High</i> | 2 | 1 | 1 | 0 | 0 |
| <i>Medium</i> | 7 | 2 | 5 | 0 | 0 |
| <i>Low</i> | 1 | 1 | 0 | 0 | 0 |
| <i>Not Applicable</i> | 3 | 3 | 0 | 0 | 0 |
| Other Audit | 31 | 31 | 0 | 0 | 0 |
| <i>High</i> | 4 | 4 | 0 | 0 | 0 |
| <i>Medium</i> | 7 | 7 | 0 | 0 | 0 |
| <i>Low</i> | 20 | 20 | 0 | 0 | 0 |
| <i>Not Applicable</i> | 0 | 0 | 0 | 0 | 0 |
| TOTALS: | 244 | 233 | 9 | 1 | 1 |

3. Outstanding Recommendations

There is currently one outstanding recommendation relating to Employment Services which is partially complete. However, over the past few months good progress has been made to implement the recommendation.

Full details of the recommendations are set out in Appendix A, for the attention of the Audit Committee.

4. RECOMMENDATIONS

The Audit Committee are asked to:

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

APPENDIX A - PROGRESS OF AUDIT RECOMMENDATIONS

| ID | Internal Audit Report Ref Rec No / Ref NWSSP Service Report Title Report Year | Status | Issue Identified | Risk Rating | Recommendation | Responsibility for Action | Management Response | Original Deadline | Updated Deadline | Update On Progress Made |
|---------------------------------------|---|--------|--|-------------|---|----------------------------------|--|-------------------|------------------|---|
| PROGRESS WITH RECOMMENDATIONS | | | | | | | | | | |
| FINANCE AND CORPORATE SERVICES | | | | | | | | | | |
| Cyber Security 2019-20 | | | | | | | | | | |
| CTES | | | | | | | | | | |
| 1. | Review of National Hosted NHS IT Systems. Oracle Financial Management System - IT Controls. AW/2020-21/2 | NYD | CTES has completed and a gap analysis assessment of the Oracle FMS to the Information Security Management Standard (ISO 27001) to identify potential improvement areas. The outcome will be a set of recommendations for implementation during 2021-22. It is good security management practice to assess and baseline a comparison to the ISO 27001 standard. | Medium | Complete the accreditation to the Information Security Management Standard (ISO 27001) to identify potential improvement areas. | Stuart Fraser- Acting Head, CTes | Work in Progress - It was agreed by the All Wales Oracle (STRAD) Board that this would be deferred due to high priority projects and in particular the requirement to complete the major Oracle system upgrade in October 2021. It has been agreed by STRAD that we will seek to obtain accreditation by 31 December 2022 and approval has been obtained to appoint a dedicated project manager. | 31/12/2022 | | Still on track to complete by deadline. Recently advertised Project Manager Post but did not successfully appoint. Updated 10/12/2021 |
| 2. | Review of National Hosted NHS IT Systems. Oracle Financial Management System - IT Controls. AW/2020-21/2 | NYD | CTES provides FMS services to the consortium of Welsh NHS organisations. It is good practice IT service management to conform or be accredited to the Information Technology Service Management (ISO 20000) standard. CTES have completed the gap analysis and we were informed during our fieldwork that they aim to complete accreditation during 2021-22 cycle. TES consider there are benefits to complete accreditation to the Information Technology Service Management (ISO 20000) standard for service management. | Medium | Complete CTES accreditation to the Information Technology Service Management (ISO 20000) standard for service management. | Stuart Fraser- Acting Head, CTes | Work in progress It was agreed by the All Wales Oracle (STRAD) Board that this would be deferred due to high priority projects and in particular the requirement to complete the major Oracle system upgrade in October 2021. It has been agreed by STRAD that we will seek to obtain accreditation by 31 December 2022 and approval has been obtained to appoint a dedicated project Manager. | 31/12/2022 | | As above 10/12/2021 |
| 3. | Review of National Hosted NHS IT Systems. Oracle Financial Management System - IT Controls. AW/2020-21/2 | NYD | The last IT DR test was completed in November 2019 and the scheduled test in November 2020 was deferred due to disruptions caused the pandemic. We were informed during our fieldwork that the next scheduled IT DR test would not be until after both the Oracle version upgrade to 12.2.9 has been completed in October 2021 and the February 2022 Oracle patch release. | High | Complete the Oracle FMS IT Disaster Recovery (DR) test in 2021-22 as soon as is practically possible ensuring all NHS organisations attend the next scheduled test. | Stuart Fraser- Acting Head, CTes | Work in progress CTes are on track to implement the Oracle upgrade in October 2021 and complete a full Business Continuity (BC) & DR test in February 2022 across all FMS Services. A change release including latest patch sets planned for January 2022 implementation. | 28/02/2022 | | Disaster Recovery on track for February 2022 10/12/2021 |
| Accounts Payable | | | | | | | | | | |

APPENDIX A - PROGRESS OF AUDIT RECOMMENDATIONS

| | | | | | | | | | | |
|----------------------------|--|--------------------------|---|--------|---|---|---|------------|--|--|
| 4. | NWSSP-2021-10 Procure to Pay (P2P) Recommendation 5 | NOT NWSSP RESPONSIBILITY | Sample testing of 225 non-purchase order invoices was undertaken to establish whether any not falling under the categories on the exceptions list had been placed on a 'No PO No Pay' hold and dealt with in line with the Policy. Sixteen invoices/payments were considered to require a purchase order but had not been placed on hold. Therefore, they had been paid based on manual authorisation and the supplier and requisitioner not dealt with in accordance with the Policy. The previous audit reported that Welsh Health Specialist Services Committee (WHSSC) invoices are all non-PO and processed manually via dataload. This arrangement is not reflected in the No PO No Pay Policy, which applies to the whole of NHS Wales. | Medium | Management should ensure that non-purchase order invoices that are not covered by the agreed exceptions list are placed on a hold to ensure that the supplier is contacted to provide a purchase order number. The existing arrangement for all WHSSC invoices to be processed as non-PO invoices should be reviewed and if deemed appropriate should be reflected in the all-Wales No PO No Pay Policy. | Head of Accounts Payable | Agreed. However, the current exceptions list needs tidying up and rationalising by the All Wales Finance Academy Forum to ensure that AP staff can easily identify if the items supplied on the invoice are, (a) on the exception list with the invoice then being placed on an Awaiting Authorisation Hold, or (b) not on the exception list, the invoice then being placed on a No PO No Pay hold and processed in accordance with the No PO No Pay Policy. With regards WHSSC invoices, this will be referred to the All-Wales P2P Finance Academy Forum by the Head of Accounts Payable for a decision to be made and the Policy updated accordingly | 30/06/2021 | | Update 10/12/2021 An updated list of Exempt commodities has now been circulated to P2P Leads. The Policy has been updated and will be reviewed at the next meeting of the All Wales P2P Finance academy meeting With regards WHSSC transactions, the All-Wales P2P Forum has not met since April 2021 and at the current time there is no indication when it might meet next. |
| EMPLOYMENT SERVICES | | | | | | | | | | |
| Payroll | | | | | | | | | | |
| 5. | NWSSP-2021-08 EMP/20-21/2 Employment Services Payroll Services 2020-21 | OUTSTANDING | The previous internal audit reported a lack of consistent approach for the monitoring and recovery of overpayments across NHS Wales organisations. Management advised that the overpayment process has been reviewed on an all-Wales basis and they are in the process of developing a single all-Wales overpayment procedure. However, no progress has been made in this respect due to the disruption of the COVID-19 pandemic. Outstanding recommendation from previous 2019-20 internal audit review. | Low | As previously agreed, an all-Wales approach to the management of overpayments should be agreed and adopted across all Payroll teams. | Head of Payroll Subject to WODS and DOFS approval, paper to go to WODs and DOFS by the end of June 2021 | We acknowledge the findings of the report, there is a new draft of the Overpayments procedure that will be presented to WODS and DOFS for an all-Wales approach. | 30/06/2021 | | Partial completion: A review of the draft overpayment's procedure has been completed and commented upon by NWSSP Finance colleagues and incorporated into the procedure. The draft procedure will be presented for review at next Deputy Directors of Finance meeting Update provided on 04 January 2022 |

APPENDIX A - PROGRESS OF AUDIT RECOMMENDATIONS

| | | | | | | | | | |
|------------------------------|--|-----|--|--------|---|--|---|------------|---|
| 6. | AW/19-20/1 Audit Wales Management Letter – Employment Services | NYD | Employment Services internal control procedures for the review of exception reports are not being complied with. | Medium | NWSSP-ES should ensure that internal control procedures for reviewing exception reports are complied with. | Head of Employment Services | We are reviewing the exception reporting process to investigate how it can be improved. This will be completed in early 2022, and for the time being the current manual method of checking will continue to ensure probity. | 01/03/2022 | <p>On-track:</p> <p>The checking procedure has been reviewed by the Payroll team and consulted on with the Audit team, the final draft is being processed and is on target for early 2022.</p> <p>Update provided 05 January 2022</p> |
| Primary Care Services | | | | | | | | | |
| 7. | AW/19-20/1 Audit Wales Management Letter – Primary Care Services | NYD | The SLA between NWSSP and the LHB's concerning the testing of prescription payments is not being adhered to and is out of date. | Medium | NWSSP-PCS should review the SLA and ensure that its requirements are adhered to. | Head of Primary Care Services | The 1% testing of prescriptions is defined within internal SOP and not a requirement under the SLA. PST roles have recently been redefined and PCS will undertake a complete review of supporting SOP's to ensure we continue to add value. | 31/03/2022 | <p>This will be reviewed and hopefully recommendations for changes put forward early in the new year.</p> <p>10/12/2021</p> |
| 8. | Review of National Hosted NHS IT Systems. Prescription Pricing - IT controls AW/2020-21/2 | NYD | The last IT Disaster Recovery (DR) system test was in March 2020 and the IT DR plan dated March 2021 requires testing schedule every 2 years. It is good practice to test the recovery of IT systems at least annually. The DR plan should be amended to document and require an annual testing requirement. | Medium | Test the Prescription Pricing Systems IT Disaster Recovery (DR) plans at least annually. The DR plan should be amended to document and require an annual testing requirement. | Neil Jenkins, Head of Modernisation & Technical Services | DR planned for March 2022. DR plan document update now completed. | 31/03/2022 | <p>Progressing well and on track to complete by the deadline.</p> <p>Update provided 10/12/21</p> |
| Procurement | | | | | | | | | |
| All Wales Laundry | | | | | | | | | |

APPENDIX A - PROGRESS OF AUDIT RECOMMENDATIONS

| | | | | | | | | | |
|-----|---|-----|--|--------|---|--|---|------------|---|
| 9. | Review of Laundry Services NWSSP-2122-12 PROC/21-22/1 | NYD | The Finance Programme Lead advised that current prices are based on 2019/20 prices plus 2% inflation. However, during the audit the Project Accountant identified that this global uplift was not applied to all customers due to a 'system error'. At the time of reporting, we were assured that this error has been corrected. Laundry item prices vary across Wales due to legacy arrangements, following the agreed 'lift and shift' transition into NWSSP. Furthermore, the cost of missing linen stock is currently absorbed by the Laundry in terms of replacement costs. 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. | Medium | 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. | Assistant Director of Laundry & Operations | Management accepts the recommendation. The all-Wales pricing policy is reliant on the transformational programme and the redevelopment of the service with the provision of two new sites and the development of Greenvale. The agreement by the Shared Services Partnership Committee was that the transfer was based on a 'lift and shift' model and there would be no changes until the completion of the transformational programme, expected in 2023/24. | 30/04/2024 | This recommendation cannot be actioned for some time as the pricing model is fixed until the completion of the transformational programme. Update provided 10/12/21 |
| 10. | Review of Laundry Services NWSSP-2122-12 PROC/21-22/1 | NYD | As above | Low | Management should explore the possibility of automating the income feed from the Benchmark system to finance for invoicing. | Business Manager, Laundry Service | Management accepts the recommendation. | 31/01/2022 | Currently working with Procurement Services for an All-Wales system such as Benchmark to implement at all Laundries, this will have more functionality, which will be able to assist in the automation of the income feed. Updated provided on 10/12/2021 |
| 11. | Review of Laundry Services NWSSP-2122-12 PROC/21-22/1 | NYD | There is no record of PADR undertaken prior to the transfer of Llansamlet Laundry to NWSSP due to an ESR data transfer issue, and PADRs have not yet been undertaken following transfer. We understand that the Laundry Manager is liaising with Workforce colleagues to recover the pre-transfer PADR history. At the time of audit, objectives had not been set for Laundry staff. We understand that this will be done following completion of the All-Wales Transformational Programme, with the transfer of the two remaining laundries in October 2021. | Medium | Following completion of the All-Wales Laundry Transformational Programme, all laundry staff should be set objectives and subject to personal appraisal and development reviews in line with the NWSSP Appraisal Procedure. | Assistant Director of Laundry & Operations | Management accepts the recommendation. | 31/03/2022 | The process has begun but is having to be started from scratch due to no records being transferred over from Health Boards and the difficulties with accessing ESR as set out above. Updated provided on 07/12/2021 |



NHS Wales Shared Services Partnership Welsh Language Standards Annual Report 2020 – 2021

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Introduction:

This is NHS Wales Shared Services Partnership's second Welsh Language Standards Performance Annual Report for 2020/21 and focuses on the second year following the implementation of the Welsh Language Standards.

The NWSSP continues in its commitment to deliver our services in both languages, equally as well as encouraging the use of the Welsh language in our daily operations, internally. However, 2020/21 has been an unprecedented year for NWSSP, where staff have been working to achieve the delivery of its goals in the context of the COVID19 pandemic. However, in these exceptional circumstances, it has been necessary to review our priorities to address, respond and support other NHS organisations during the pandemic.

The past year has meant that drastic changes have had to be made to our priorities in order to support NHS organisations with mass recruitment programmes, staff deployment to other roles, re-focus on priorities in terms of procurement, increased staff absence due to shielding or illness and a complete shift in the way we work with the introduction of home working.

NWSSP continues to work in difficult and challenging times where plans are made, are rapidly implemented, and are reassessed daily. Staff have demonstrated, and are still demonstrating, dedication and commitment to ensuring that our service-users receive their service in their language of choice and that a bilingual service is provided.

Background – The Duty of the Welsh Language Standards

The Welsh Language (Wales) Measure 2011 establishes a legal framework that places a duty on NHS Wales Shared Services Partnership (NWSSP) to comply with the Welsh Language Standards (no.7) in relation to the Welsh language.

The individual standards explain how we are expected to:

- Develop and deliver our services through the medium of Welsh.
- Develop and implement policies and protocols that support the use of the Welsh language.
- Ensure that the Welsh language is considered and incorporated into our operational plans.
- Report on our performance annually.

The Language Standards are divided into these specific areas:

- service delivery
- policy making
- operational standards
- record keeping

As a hosted organisation of Velindre NHS Trust, NWSSP received a compliance notice from the Welsh Language Commissioner under Section 4 of the Welsh Language (Wales) Measure 2011, on 30 May 2019. This notice specifies the precise standards the NWSSP is required to comply with.

This is the second Welsh Language Standards Annual Report to be published by NWSSP.

Looking back at 2020-21, we are immensely proud of the achievements of all of our staff and their ability to adapt and change quickly to meet the shifting demands the pandemic places upon the wider NHS and in turn, on our own services. During 2020-21 we were able to adapt our plan as the pandemic hit. Most of our services continued to be delivered bilingually, despite staff having to work from home, and having to prioritise and re-focussing our resources to address the challenges the pandemic presented to us as an organisation and the wider NHS in Wales. The year ahead remains uncertain and undoubtedly will present further challenges. We intend to retain an agile working model as part of our future plans and the Welsh language is at the heart of our planning.

Accountability and Support

Alongside the Welsh Language Services Manager, the Director of People and Organisational Development is the executive lead for the Welsh language in NWSSP.

There is a network of Welsh Language Co-ordinators in each division who work closely with the Welsh Language Unit and the Translation Team in providing advice, guidance and support regarding the Welsh Language Standards and promoting the use of the Welsh language internally.

We also have a team of Translators at NWSSP to support us as an organisation in delivering Welsh language services as well as supporting other NHS organisations.

Service Delivery Standards

We have continued to comply with the service delivery standards during the year under the challenges of the pandemic.

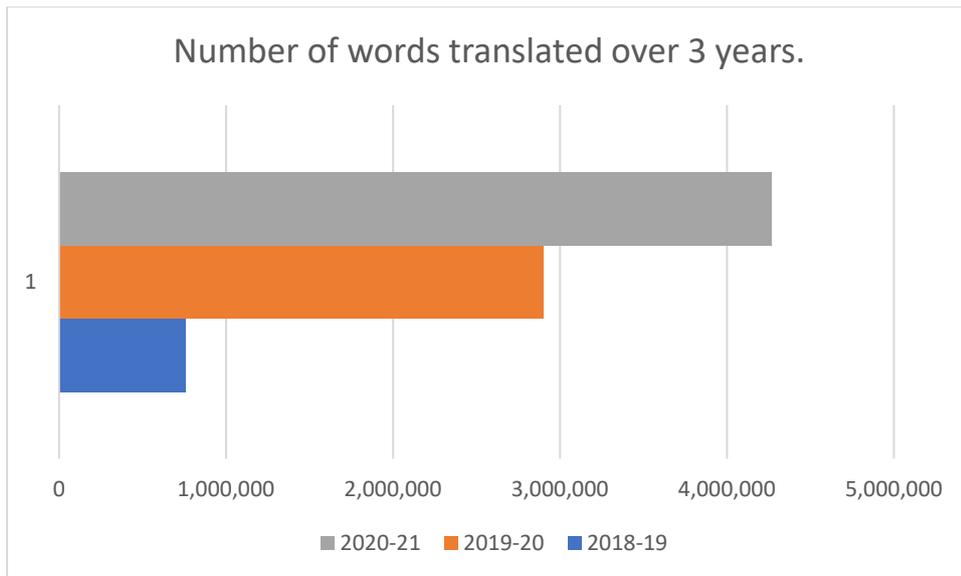
- Written Correspondence (Standards 1 – 7)
- Telephone Services (Standards 8 – 20)
- Meetings and events (Standards 21 – 33)
- Producing and Publishing Documents (Standards 34 – 38)
- Website, Social Media, Apps (Standards 39 – 46)
- Signage (Standards 47- 49)
- Reception Services (Standards 50 – 53)
- Procurement and Contracts (Standards 57 – 59)
- Communications and Corporate Identity (Standards 60 – 62)
- Public Address systems – (Standard 64)

A number of guidelines have been published and reviewed/updated for staff outlining the requirements in relation to compliance with the Standards. The guidelines are available on our Welsh support page on the intranet. Managers are aware of the availability of the guidelines and continue to advise their teams to familiarise themselves with the information and guidance made available to them. The Guidelines include:

- Protocol for answering and phone bilingually and handling Welsh calls received
- A guide for receptionists
- Use of Welsh in correspondence
- Arranging a meetings and public meetings
- Writing in Welsh – handy phrases
- Templates – signs, forms etc
- Guidance for web authoring and the use of social media
- Guidance on signage and public address systems
- Communications and corporate identity
- Welsh language considerations in the publication of procurement documents and specification of tenders detailing contractual obligations on the contracting/sub-contracting of services on behalf of NHS Wales.

Regular communication is distributed to staff across the organisation about the Welsh language standards, the importance of offering a Welsh language service, respecting the customer's choice. Staff are referred to the intranet Welsh language support page for this information. Since the implementation of the Welsh language standards, the demand on our Welsh language translation team has continued to increase, and 2020/21 has been no exception.

The demand for our translation services are increasing to unprecedented levels, and have been greater than ever ensuring that communication directly associated with the pandemic has been available from NWSSP. We have also been supporting other NHS organisations in communicating effectively with the public, and patients directly about Covid-19 through the medium of Welsh.



The demand for translation services in 2020/21 increased by 43% by comparison to 2019/20, and by 330% by comparison to 2018/19.

We continue to provide translation support to the following NHS organisations:

- Velindre NHS Trust
- Public Health Wales
- Digital Healthcare Wales
- NHS Employers
- NHS Collaborative

Our staffing structure for the Welsh Language Unit for 2020-2021 was as follows:

- Welsh Language Services Manager (full-time permanent) x 1
- Translation Manager x 1 (full-time, permanent) x 1
- Translators (full-time, permanent) x 3

We have also updated our translation guide to staff, so that staff understand what documents and forms need to be translated.

Many of our procurement projects were paused during the year, as the pressure of the pandemic demanded that we focused on re-distributing our resources on the procurement of goods and services to respond to the pandemic specifically.

However, we did work closely with our procurement team on the procurement of Education providers with HEIW and the Coleg Cymraeg Cenedlaethol, and the procurement of Childcare app for staff at Aneurin Bevan Health Board.

Policy Making Standards

All NWSSP policies are provided by Velindre NHS Trust.

Any protocols that we develop locally are required to undergo a comprehensive equality impact assessment. This provides the opportunity to give specific reference to the Welsh language, where the protocol would influence the use of the Welsh language as part of the organisations service delivery. The Welsh language is embedded in the decision-making processes across the organisation. The Welsh Language Services liaises with the Corporate Services Manager with regards to protocols and EQIA's for service development proposals.

We have ensured that all relevant documents related to employment are available through the medium of Welsh. Contracts of employment are sent to staff in both Welsh and English. A review of all People & OD documents is due in 2021-22.

Operational Standards:

Internal Administration (Standards 79 – 82)

Complaints (Standards 83 – 85)

Disciplinary Cases (Standards 86 – 88)

Information Technology, the intranet and apps (89 – 95)

Developing Welsh language skills (Standards 96 – 105)

Recruiting and appointing (Standards 106 – 109)

Signage and notices in the workplace (Standards 111 – 113)

Internal Administration:

As previously mentioned, there are designated pages on the organisation's intranet page on the internal use of the Welsh language that staff can access to promote and increase the use of the Welsh language at work.

Documentation relating to staff employment as well as documentation such as performance objective setting, and career planning documents are available bilingually. All Wales policies such as Behaviour in the workplace, Absence from work and Health and well-being at work are available in both Welsh and English and published on intranet. The Welsh Language Services Manager has been supporting NHS Employers Wales on bilingual matters and translation support for all Wales policies.

Complaints and Disciplinary Cases:

The Welsh Language Services Manager supported and advised NHS Employers on the review of the all Wales, 'Raising Concerns Policy' which is available in Welsh and English and there is also an FAQ to accompany the policy in terms of giving guidance to managers across the NHS in co-ordinating and facilitating disciplinary cases in Welsh.

NWSSP uses this policy internally.

No members of staff requested to raise concern or to have a disciplinary facilitated through the medium of Welsh during 2020/21.

Technology, Intranet and Apps.

The intranet pages outlined in our compliance notice are available in Welsh.

There is a Welsh language support page for staff to access on our intranet site.

A review of the People and Organisational Development pages will be undertaken in 2021/22 to ensure that any new policies/reviewed policies are available through the medium of Welsh.

Cysgliad is available to all staff to download to their computers/laptops and the use of Cysgliad by Welsh learners or those members of staff who are less confident in using the language.

We continue to update the interfaces, documents, notifications and forms on the TRAC recruitment system, the Student Awards System, the Student Streamlining System and the GP Wales System.

ESR is the Electronic Staff Record that manages staff annual leave, pay, sickness absence and training across the NHS in Wales. NHS Wales has a 6% share in ESR across the UK, and the current ESR system, which was originally developed to manage payroll payments, has been extended on to such a point where it is technologically challenging to translate the whole system. However, during the year we've been exploring the areas that can be translated on ESR and we will implement this in 2021/22.

Training and Learning Welsh at Work:

During 2020/2021, we recruited 116 staff into vacancies at NWSSP. All new members of staff have received Corporate Induction, which includes Welsh Language awareness training.

NHS Wales Shared Services Partnership rolled out the delivery of Office 365 and Microsoft TEAMS as a matter of urgency, early during the pandemic to enable staff to work remotely from home.

Microsoft TEAMS has been the platform used for training and learning Welsh at work. This platform has made learning Welsh and enabling staff to commit to completing the course much easier. It has also enabled tutors to record sessions so that staff can re-visit the learning and classes that they may have missed. Staff attendance and retention rates have improved, due to the courses being available online. The following courses were offered to staff during 2020/21:

- Entry Level 30-week course. 16 members of staff attending
- Foundation Level 30-week course. 12 members of staff attending
- Intermediate Level 30-week course. 10 members of staff
- Higher Level 30-week course. 8 members of staff.

We have also supported 8 staff in attending courses in the community, virtually during the year, as this arrangement suits these staff better than learning Welsh during working hours.

We recognise the importance to offer flexibility to our staff to learn Welsh and to make the learning of the language accessible and easy to reach.

We regularly promote the opportunities to learn Welsh to all our staff across all our sites, and will continue to do so in order to increase staff confidence in the use of the language and to be able to deliver our services equally in both languages.

Recruiting and appointing staff

In 2019/20 we carried out a large-scale translation project to translate all 310 unique job descriptions at NWSSP with a view to start advertising all Welsh essential, Welsh desirable and Welsh needs to be learnt vacancies in readiness to be able to deliver standard 107A (ch) along with

Standard 106 to advertise vacancies the Welsh essential, desirable and needs to be learnt categories.

The pandemic has inevitably impacted on our ability to implement standards 106 and 107a (ch) fully. Both of these Standards continue to be focused area of work for our People & OD team. Despite the pandemic, and the urgency at which we've had to recruit to various vacancies during the pandemic, we have been able to make progress in the following areas:

- Posts which are deemed Welsh essential are translated and advertised in Welsh.
- Posts which have the most frequent contact with service users.
- Posts which tend to be the most frequently advertised.

Work will continue on focussing on the full delivery of these standards during 2020/21.

Signage and notices in the workplace

Site leads across all of our sites ensure that all signage across our sites are available through the medium of Welsh.

Record Keeping Standards:

Welsh Language Skills Across the Workforce:

All members of staff are required to complete a Welsh language skills assessment on the electronic staff record platform. We've seen a drop in staff recording their skills during the year, and therefore, we will be communicating with Directors, Deputy Directors, Heads of Services, Managers, Supervisors and Staff across the business to ensure that we better capture the skills of staff across the organisation in 2021/22.

We intend to address this by taking the following steps to improve skills recording:

- 1) Reduce the number of staff not recorded on ESR – deteriorating position due to Covid-19 mass recruitment. The Welsh Language Services Manager and the People and Organisational Development team intend to identify any gaps and reach out to managers and supervisors in order to capture the missing data.
- 2) Identify members of staff who have not recorded their skills and communicate directly with those members of staff with a 'how to' guide to record their skills on ESR.
- 3) To put in place a strategy to encourage those on level 0 to move to level 1. We aim to further encourage staff to complete the 10 hour online taster courses
- 4) To put in place a strategy to encourage those on level 1 to move to level 2.
- 5) To put in place a strategy to encourage those on level 2 to move to level 3.

This strategy will be drafted in 202/22 and rolled out over the next 5 years.

| Skill Level | Number of employees | % |
|-----------------------------------|----------------------------|-------------|
| Skill level 0 | 2090 | 55.7% |
| Skill level 1 | 316 | 8.4% |
| Skill level 2 | 98 | 2.6% |
| Skill level 3 | 66 | 1.8% |
| Skill level 4 | 54 | 1.4% |
| Skill level 5 | 121 | 3.4% |
| Skills not recorded on ESR | 1004 | 26.7% |
| Grand total: | 3749 | 100% |

New and vacant posts:

The table below details posts that were advertised between 1st of April 2020 and 31st of March 2021:

| | |
|---|-----|
| Total Number of vacancies advertised 01/04/2020 to 31/03/2021 | 321 |
| Total Number of vacancies advertised as Welsh Essential | 5 |
| Total Number of vacancies advertised as Welsh Desirable | 291 |
| Total Number of vacancies advertised as Welsh Needs to be Learnt | 0 |
| *Total Number of vacancies advertised as Welsh not a required skill | 25 |

*The vacancies that were advertised as 'Welsh not a required skill' were internal vacancies for internal candidates within the organisation and had been assessed for language skills requirements.

Complaints and Concerns

NWSSP investigates any concerns raised by service users, patients or the public through our complaint procedure, which is available on our website: <https://nwssp.nhs.wales/corporate-documents/corporate-issues-and-complaints/complaints-management-protocol/>

We received one concern from the Welsh Language Society about shortfalls in provision of Welsh language services through our Student Streamlining Services. Upon investigation and consultation with the Welsh Language Society, improvements have been made to the service, so that the whole service is available to students through the medium of Welsh.

The solution that is currently used for Student Streamlining was due to go out to tender in 2020/21. This was delayed due to Covid-19 and having to re-prioritise our procurement resources. The procurement of a new solution will take place in 2021/22.

No complaints were received from the Welsh Language Commissioner's office during 2020/21. No investigations were carried out the Welsh Language Commissioner's office during 2020/21.

Supporting other NHS Organisations during 2020/21:

During the pandemic, we offered support in many different forms to other NHS Organisations.

Community Health Councils:

- Advertising, Recruiting and Appointing a Translator – Community Health Councils
- Memsources Translation Software training to recently appointed Translator at CHC

Swansea Bay University Health Board:

- Advice and support on creating an intranet page to support the Welsh language
- Advertising, Recruiting and Appointing a Welsh Language Officer

Powys Teaching Health Board:

- Support the Welsh Language Manager in preparing for interviewing, recruiting and appointing a translator

Translation services for:

- Public Health Wales NHS Trust
- NHS Wales Informatics Service (prior to 1st April 2021)
- Velindre University NHS Trust
- GP Wales
- NHS Employers (All Wales Policies and Job Descriptions)

All Wales Job Descriptions translated in 2020/21, which are now available through NHS Employers for all NHS organisations to access to lessen the burden of translations and enable Health Boards and Trusts to publish more job descriptions bilingually are as follows:

| Job Description Title | Band |
|---|-------------|
| Substance Misuse Nurse | 6 |
| Welsh Language Officer | 6 |
| Assurance and Risk Officer | 6 |
| Trauma Audit and Research Network (TARN) Coordinator | 4 |
| Project Manager, Emergency Department, Quality Delivery Framework (EDQDF) | 6 |
| Translator (Welsh Language) | 5 |
| Administration Assistant to Frequent Attender Service | 3 |
| Clinical Nurse Lead – Quality & Delivery Frameworks | 8 |
| Senior Project Manager | 8a |
| Highly Specialist Veterans Clinical Lead | 8 |
| Principal Clinical Psychologist | 8 |
| Health Care Assistant | 2 |
| Anatomical Pathology Support Worker | 2 |
| Facilities Operative (Housekeeping/Waste) | 2 |
| Assistant Technical Officer (ATO) | 2 |
| Health Records Clerk | 2 |
| Patient Care Assistant (PCA) | 2 |
| Facilities Operative (FO) | 2 |
| Pharmacy Assistant Technical Officer | 2 |
| Ward Clerk | 2 |
| Communications Manager | 7 |
| Clinical Psychologist | 7 |
| Advanced Clinical Nurse Specialist Core | 7 |
| Care and Co-ordinator | 7 |
| Case and Manager and Frequent Attender Service | 7 |
| Clinical Nurse Specialist Tuberculosis and Management and Control | 7 |
| Trauma and Rehabilitation and Co-ordinator | 7 |
| Health Visitor | 6 |
| Call Handler Appt Booking | 2 |
| Principal Clinical Psychologist | 8b |
| Senior Clinical Psychologist | 8a |
| Clinical Nurse Lead | 8b |
| Head of Health, Safety and Security | 8b |
| Highly Specialist Veterans Clinical Lead | 8a |
| Senior Project Manager | 8a |

| | |
|--|----|
| Registered General Nurse CAJE: RYL/2018/0278 | 5 |
| Trauma Audit and Research Network (TARN) Coordinator CAJE: HD2019/0207 | 4 |
| Care Co-ordinator South Wales MND Care Network | 7 |
| HEIW Workforce Inclusion Officer | 7 |
| Senior Nurse Immunisation & Vaccination | 8a |
| Occupational Health Nurse Advisor | 6 |
| Immunisation Coordinator | 7 |
| HCSW Immunisation & Vaccine Service | 3 |
| Covid-19 Pandemic Response Arch | 6 |
| Admin Assistant Band 2 | 2 |
| Adv Pharmacist Clin Effectiveness Support | 8a |
| Interim Head of Compliance | 8b |
| Clinical Research Officer | 5 |
| Senior Product Specialist | 8a |

Priority Areas for 2021/22

- Increase capacity to train more staff in language awareness.
- Increase interest in learning Welsh and up-skilling the workforce.
- Increase the interest in the 10hour courses online amongst staff with skill levels 0 & 1
- To become fully compliant with Standards 106A and 107A(Ch).
- A communications and training programme for recruitment managers regarding Standards 106, 106A, 107, 107A.
- Support procurement services with advice and support on the procurement of services and associated goods as necessary.
- A review and procurement of a system that will support Student Streamlining and Student Awards to offer a fully bilingual service to customers.
- A review of our Contact Centres and how we respond to customers through the medium of Welsh.
- Ensuring that future systems that support NWSSP, NHS Organisations and NHS Staff to operate bilingually.
- Review of Corporate and Welsh Language Awareness Training for staff.
- To continue to support NHS Organisations with Translation and Welsh language support as required.
- To further develop the capability of ESR to allow for some of the processes e.g booking of leave to be undertaken in Welsh.
- Engagement and Communication Strategy to engage with Welsh speaking communities across Wales and education and training providers in those areas in order to make more prospective candidates aware of the career opportunities we offer at NWSSP.

| | |
|------------------------------------|---|
| MEETING | Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership |
| DATE | 25 January 2022 |
| PREPARED BY | Carly Wilce, Corporate Services Manager |
| PRESENTED BY | Carly Wilce, Corporate Services Manager |
| RESPONSIBLE HEAD OF SERVICE | Andy Butler, Director of Finance and Corporate Services |
| TITLE OF REPORT | Audit Committee Forward Plan 2021-22 |

PURPOSE

To provide a summary of items expected to be presented at forthcoming Audit Committee meetings, scheduled for 2021-22.

| Month | Standing Items | Audit Reports | Governance | Annual Items |
|---|--|--|---|--|
| Q1 2021/22 20 April 2021 <i>Boardroom</i> <i>NWSSP HQ, Unit 4/5</i> <i>Charnwood Court, Heol</i> <i>Billingsley, Parc Nantgarw,</i> <i>Cardiff, CF15 7QZ</i> <i>or by Teams (as appropriate)</i> | Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement | Internal Audit As outlined in the Internal Audit Operational Plan Review of Internal Audit Operational Plan | Governance Matters Tracking of Audit Recommendations Corporate Risk Register Review of Audit Committee Terms of Reference | Draft Annual Governance Statement, Annual Plan Internal Audit Charter |
| Q1 2021/22 29 June 2021 <i>Boardroom</i> <i>NWSSP HQ, Unit 4/5</i> <i>Charnwood Court, Heol</i> <i>Billingsley, Parc Nantgarw,</i> <i>Cardiff, CF15 7QZ</i> <i>or by Teams (as appropriate)</i> | 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 Review of Internal Audit Operational Plan | Governance Matters Tracking of Audit Recommendations Corporate Risk Register Review of Standing Orders for the Shared Services Partnership Committee Review of Risk Management Protocol and Risk Appetite Statement | Final Annual Governance Statement Head of Internal Audit Opinion and Annual Report Gifts & Hospitality Annual Report Declarations of Interest Annual Report |
| Q3 2021/22 12 October 2021 <i>Boardroom</i> <i>NWSSP HQ, Unit 4/5</i> <i>Charnwood Court, Heol</i> <i>Billingsley, Parc Nantgarw,</i> <i>Cardiff, CF15 7QZ</i> | Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement | External Audit Audit Wales Nationally Hosted IT Systems Report Audit Wales Management Letter Internal Audit As outlined in the Internal Audit Operational Plan | Governance Matters Tracking of Audit Recommendations to include Annual Review of Audit Recommendations Not Yet Implemented Corporate Risk Register | Audit Committee Effectiveness Survey Freedom of Information Annual Report Audit Committee Annual Report |

| | | | | |
|--|---|---|---|--|
| <i>or by Teams (as appropriate)</i> | NWSSP Update | | Progress update as to recommendations- Raising Our Game Action Plan Assurance Mapping | Internal Audit Quality Assurance & Improvement Programme Counter Fraud Annual Report |
| <p> Q4 2021/22 25 January 2022 </p> <p> <i>Boardroom</i> <i>NWSSP HQ, Unit 4/5</i> <i>Charnwood Court, Heol</i> <i>Billingsley, Parc Nantgarw,</i> <i>Cardiff, CF15 7QZ</i> </p> <p> <i>or by Teams (as appropriate)</i> </p> | Minutes & Matters Arising External Audit Position Statement Internal Audit Progress Report Counter Fraud Position Statement NWSSP Update | <p> External Audit Audit Wales Office Proposed Audit Work </p> <p> Internal Audit As outlined in the Internal Audit Operational Plan </p> | Governance Matters Tracking of Audit Recommendations to include Annual Review of Audit Recommendations Not Yet Implemented Corporate Risk Register Review of Standing Orders for the Shared Services Partnership Committee | Pre-meet between Audit Committee Chair, Independent Members, Internal and External Auditors and Local Counter Fraud NWSSP Annual Review 2020-21 NWSSP Welsh Language Annual Report 2020-21 Plan on a page |

Adding Value Through Partnership, Innovation & Excellence



Our Strategic Objectives

| Value for Money | Excellence | Service Development | Customers & Partners | Our People |
|--|--|--|--|--|
| <ul style="list-style-type: none"> Highly efficient and effective organisation. Deliver real term savings and service quality benefits in partnership with our customers. Measure value in terms of quality, socio-economic benefit and not solely on cost. | <ul style="list-style-type: none"> A customer centric organisation that delivers process excellence. Focus on continuous service improvement, automation and the use of digital technology. Leads the way on adopting new ways of working to tackle climate change and decarbonisation targets. | <ul style="list-style-type: none"> Extend the range of high quality services provided to NHS Wales and Welsh public sector. Adapt and change our processes and systems to support the foundational economy in Wales. | <ul style="list-style-type: none"> Open and transparent customer-focused culture that supports the delivery of high quality services. | <ul style="list-style-type: none"> Appropriately skilled, productive, engaged and healthy workforce. Embed diversity and inclusiveness into our NWSSP culture and actions. Encourage the use of Welsh in our roles and workplaces, supporting staff to improve their skill level. |

2022-23 Key Deliverables

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|---|--|--|---|--|
| Achieve national and local savings through value based procurement. | Commence rollout of Scan4Safety modernisation programme across theatres, Cath labs and wards within NHS Wales. | Maximise NWSSP services' contribution to the development and delivery of Primary Care Clusters and their plans. | Improve supply chain logistics, distribution and facilities through our regional stores network to reduce carbon emissions. | Be the employer of choice through THIS IS OUR NWSSP: Our People. |
| Manage our financial resources and continue to deliver professional influence savings to our customers. | Continuous improvement measured and evidenced against the Customer Services Excellence framework | Transformation of the existing 5-site laundry infrastructure and service delivery model into a modern and fully compliant service. | Act upon the findings of the Recruitment Responsiveness Programme; increased use of RPA, improvements to TRAC and workflows. | Promote the wide range of technical and professional role opportunities and career paths available within NWSSP. |
| Extend our work with the foundational economy in Wales. | Commence SaaS readiness change programme across Oracle financial systems. | Implement the actions in the NWSSP Decarbonisation Plan. | Widen the Certificate of Sponsorship service to an All Wales offering. | Promote the benefits of the Single Lead Employer model through the Train, Work, Live campaign. |
| Continue to increase electrical vehicle charges, LED lighting, use of solar panelling and electric fleet. | Maintain accreditation of our Surgical Medical Testing Laboratory service and extend existing testing facilities and capacity. | Develop the full functionality of the new primary care contractor payment system. | Ensure continuity of service during development and transition to e-prescribing service in Wales. | Embed agile working as a permanent feature of our work culture. |
| Continued provision of high quality and comprehensive legal services to our clients. | Complete clinical reviews and cascade learning from adverse clinical events through the Welsh Risk Pool. | Implement the next stages of the Pharmacy Technical Services programme. | Expand further the Single Lead Employer model providing a consistent employment arrangement for duration of training when in NHS Wales. | Develop further our commitments to supporting staff mental health and wellbeing. |
| Develop an e-learning module and other materials to strengthen Counterfraud awareness. | Increase use of RPA across our transactional services including recruitment and accounts payable. | Continue to provide clean linen to all NHS Wales organisations whilst moving to an All Wales operating model alongside business case approval for the new site developments. | Consolidation of workforce systems and contracts; supports collaborative working across organisational boundaries and potential cash releasing savings. | Desire for our people to be engaged - to be connected to and share in our purpose; to feel enriched, empowered, and inspired; to feel they are supported and enabled to make a difference for the people of Wales. |

Our Core Values



Listening & Learning



Working Together



Taking Responsibility



Innovating