

- 0 SERVICE UPDATE
- 0.1 Integrated Medium Term Plan Update - Iain Hardcastle - 1.30pm-2.00pm
- 1 PART A - STANDARD BUSINESS
- 1.1 Welcome & Opening Remarks (Verbal) - Chair
- 1.2 Apologies (Verbal) - Chair
  - Apologies received from Margaret Foster - Chair of NWSSP*
  - Apologies received from Gillian Gillett - Audit Representative - Wales Audit Office*
  - Apologies received from Craig Greenstock and Nigel Price - Local Counter Fraud Specialists*
- 1.3 Declarations of Interest (Verbal) - Chair
- 1.4 Minutes of Meeting Held on 24 July 2018 - Chair
  - 1.4 DRAFT Minutes of Audit Cttee Part A 24072018.docx
- 1.5 Matters Arising - Chair
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- 2 COUNTER FRAUD
- 2.1 Counter Fraud Position Statement - Andy Butler
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- 3 ASSURANCE, RISK & GOVERNANCE
- 3.1 Risk Appetite Statement - Peter Stephenson
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- 3.2 Corporate Risk Register - Peter Stephenson
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- 3.3 Assurance Mapping - Peter Stephenson
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- 3.4 Governance Matters - Andy Butler
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- 3.5 How Procurement Services Minimises Obsolete Warehouse Stock - Andy Butler
  - 3.5 How Procurement Services Minimises Obsolete Warehouse Stock.doc
- 3.6 Workforce Education & Development Services Legacy Report - Andy Butler
  - Assurance report relating to the transfer of Workforce Education & Development Services (WEDS) to Health Education Improvement Wales (HEIW)*
  - 3.6 WEDS Legacy Statement.docx
- 3.7 Tracking of Audit Recommendations - Roxann Davies
  - 3.7 Tracking of Audit Recommendations.doc
  - 3.7 Appendix A - Summary of Audit Tracker.pdf
  - 3.7 Appendix B - Progress of Audit Recommendations.docx
- 3.8 Update from Benchmarking Exercise on Audit Committee Effectiveness Survey (Verbal) - Roxann Davies
- 4 INTERNAL AUDIT
- 4.1 Internal Audit Position Statement - James Quance
  - 4.1 NWSSP Internal Audit Progress Report October 2018.pdf
- 4.2 Health Courier Services Internal Audit Report - James Quance
  - 4.2 NWSSP-1819-01 Health Courier Services Internal Audit Report.pdf
- 4.3 BACS Bureau Internal Audit Report - Sophie Corbett
  - 4.3 NWSSP BACs Bureau Review Report.pdf
- 4.4 GP Trainees Internal Audit Report - Sophie Corbett

- 5 EXTERNAL AUDIT
- 5.1 Wales Audit Office Position Statement (Verbal) - Ann-Marie Harkin/Gillian Gillett
- 6 ITEMS FOR INFORMATION
- 6.1 Health and Care Standards Self-Assessment Action Plan - Roxann Davies
  - 6.1 Health and Care Standards Self-Assessment Action Plan 2018.docx
- 6.2 Audit Committee Forward Plan - Roxann Davies
  - 6.2 Audit Committee Forward Plan.docx
- 7 ANY OTHER BUSINESS (Prior Approval Only)
- 7.1 Meeting Review (Verbal) - Chair
- 8 DATE OF NEXT MEETING: Tuesday 22 January 2019 at 14:00-16:00, Boardroom HQ, Unit 4/5 Charnwood Court, Heol Billingsley, Parc Nantgarw, Nantgarw, CF15 7QZ

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

**MINUTES OF MEETING HELD TUESDAY 24 JULY 2018  
14:00 – 16:00  
BOARDROOM, NWSSP HQ, NANTGARW  
Part A**

<b>ATTENDANCE</b>	<b>DESIGNATION</b>	
<b>INDEPENDENT MEMBERS:</b>		
Martin Veale (MV)	Chair & Independent Member	
Jane Hopkinson (JH)	Independent Member	
Ray Singh (RS)	Independent Member	
<b>ATTENDANCE</b>	<b>DESIGNATION</b>	<b>ORGANISATION</b>
<b>ATTENDEES:</b>		
Margaret Foster (MF) <i>(In Part)</i>	Chair	NWSSP
Neil Frow (NF)	Managing Director	NWSSP
Andy Butler (AB)	Director of Finance & Corporate Services	NWSSP
Peter Stephenson (PS)	Head of Finance & Business Development	NWSSP
Sophie Corbett (SC1)	Audit Manager	NWSSP
James Quance (JQ)	Head of Internal Audit	NWSSP
Roxann Davies (RD)	Compliance Officer	NWSSP
Maria Newbold	PA	NWSSP
Mark Osland	Director of Finance	Velindre NHS Trust
Craig Greenstock (CG)	Local Counter Fraud Representative	Cardiff & Vale UHB
Gillian Gillett (GG)	Audit Representative	Wales Audit Office
Andrew Strong (AS)	Audit Representative	Wales Audit Office
<b>ATTENDANCE</b>	<b>DESIGNATION</b>	<b>ORGANISATION</b>
<b>IN ATTENDANCE:</b>		
Helen Thomas <i>(Item 0.1)</i>	ESR Programme Manager	NWSSP
Gareth Hardacre <i>(Item 0.1)</i>	Director of Workforce and OD	NWSSP

<b>Item</b>		<b>Action</b>
<b>PRESENTATIONS</b>		
<b>0.1</b>	<b>ESR Hire to Retire (Presentation by Helen Thomas)</b>	

Item		Action									
	HT gave a presentation on the progress of the ESR Hire to Hire Project. HR highlighted the significant progress that had been made in Wales. Reference was made to a number of KPIs whereby the performance in Wales compared favourably to that in England.										
<b>STANDARD BUSINESS</b>											
<b>1.1</b>	<p><b>Welcome and Opening Remarks</b></p> <p>The Chair welcomed everyone to the July Audit Committee meeting.</p>										
<b>1.2</b>	<p><b>Apologies</b></p> <p>Apologies of absence were received from:</p> <table border="1" data-bbox="256 835 1326 994"> <thead> <tr> <th data-bbox="256 835 584 873">ATTENDANCE</th> <th data-bbox="584 835 983 873">DESIGNATION</th> <th data-bbox="983 835 1326 873">ORGANISATION</th> </tr> </thead> <tbody> <tr> <td data-bbox="256 873 584 952">Simon Cookson</td> <td data-bbox="584 873 983 952">Director of Audit &amp; Assurance</td> <td data-bbox="983 873 1326 952">NWSSP</td> </tr> <tr> <td data-bbox="256 952 584 994">Steve Ham</td> <td data-bbox="584 952 983 994">Chief Executive</td> <td data-bbox="983 952 1326 994">Velindre NHS Trust</td> </tr> </tbody> </table>	ATTENDANCE	DESIGNATION	ORGANISATION	Simon Cookson	Director of Audit & Assurance	NWSSP	Steve Ham	Chief Executive	Velindre NHS Trust	
ATTENDANCE	DESIGNATION	ORGANISATION									
Simon Cookson	Director of Audit & Assurance	NWSSP									
Steve Ham	Chief Executive	Velindre NHS Trust									
<b>1.3</b>	<p><b>Declarations of Interest</b></p> <p>None identified.</p>										
<b>1.4</b>	<p><b>Unconfirmed Minutes from meeting held on 5 June 2018</b></p> <p>The minutes of the meeting held on the 5 June 2018 were <b>AGREED</b> as a true and accurate record of the meeting.</p>										
<b>1.5</b>	<p><b>Matters Arising from meeting held on 5 June 2018</b></p> <p>It was noted that the Risk Appetite Statement will be brought to the next meeting, once it has been presented to SMT.</p> <p>The Chair confirmed Velindre NHS Trust were currently working on risk scoring, targets and appetite and it was agreed that the Chair and PS would meet to discuss this matter separately.</p>	<p><b>PS</b></p> <p><b>Chair/PS</b></p>									
<b>External Audit</b>											
	<p><b>Wales Audit Office (WAO) Nationally Hosted NHS IT Systems Report 2017-18</b></p> <p>AS presented the Nationally Hosted NHS IT System Report and stated that the scope looked at key financial systems that the WAO</p>										

Item		Action
	<p>Financial Orders require, such as Oracle, ESR, FMS, Prescription Pricing and the NHAIS system.</p> <p>The overall conclusion was that the controls examined assured financial auditors that values produced were likely to be free from material error and identified that controls may be strengthened. The action plan contained 30 recommendations; 15 of which were from prior years and for which there was no deadline for completion. Of the 30 recommendations, 19 had been fully implemented, 8 are ongoing and 3 were not agreed, or were not possible to implement. PS confirmed that the prior year recommendations should have been on the audit tracker and that their omission from this was an oversight</p> <p>The Chair enquired as whether anything highlighted in the report was surprising or enlightening and AB confirmed that there were no major surprises and that it was a helpful report.</p> <p>It was confirmed that recommendations would be added to the audit tracker and completion dates would be agreed.</p>	RD
2.2	<p><b>Wales Audit Office (WAO) Management Letter 2017-18</b></p> <p>GG presented the Management Letter which covered a review of the following services:</p> <ul style="list-style-type: none"> <li>• Audit and Assurance Services;</li> <li>• Primary Care Services;</li> <li>• Employment Services;</li> <li>• Procurement Services; and</li> <li>• Legal and Risk Services.</li> </ul> <p>The report highlighted three exceptions; two for Employment Services and one for Procurement Services. The two Employment Services recommendations were agreed, but the procurement recommendation was disputed as Accounts Payable staff believe that they were acting within HMRC guidance. AB stated that although operationally we comply, in the event that somebody required an invoice that was 6 months old, it could potentially be a tortuous process to get this.</p> <p>Although we were compliant with the legislation, it was suggested that a discussion between Accounts Payable and WAO would be useful to demonstrate our processes.</p> <p>There was one further issue which was not included as a recommendation but which was referred to in the text of the report, relating to a liability claim where a further payment in</p>	PS

Item		Action
	<p>excess of £1 million had been paid without apparent documentation to support it. AB explained that this was an exceptional case dating back to 2010, where a change in the discount rate had led to the need for the further payment in 2017 and that this was supported by the original documentation. The evidence to support the payment had since been located and provided to WAO.</p>	
<b>INTERNAL AUDIT</b>		
<b>3.1</b>	<p><b>Internal Audit Position Statement</b></p> <p>JQ presented the report and stated that the report was self-explanatory as no audit reports were being presented to the Committee. However, it was noted that there was a lot of work to be reported at the next meeting. JQ confirmed that there were no issues arising from the work undertaken to date.</p>	
<b>3.2</b>	<p><b>Quality Assurance and Improvement Programme (QAIP)</b></p> <p>JQ presented the QAIP on behalf on Simon Cookson, Director of Audit and Assurance at NWSSP. This was an annual internal exercise undertaken on a sample of internal audit files and supporting documentation. The results of the review were very positive and accord with the findings of the External Quality Assessment that was brought to a previous Audit Committee.</p> <p>Assurance that health bodies were utilising their audit teams effectively was discussed and it was confirmed that Committee Chairs and Board Secretaries were currently reviewing how their audit teams could be better used.</p> <p>The Chair enquired as to whether we had lessons learned reporting, which may help other organisations. JQ advised that plans were underway to track progress of implementation of recommendations on TeamMate. This was being piloted at present and, if successful, it would be rolled out more widely. However, there would still be a need to maintain NWSSP's own audit tracker as TeamMate reporting would not include WAO and other external assurance reports.</p>	
<b>COUNTER FRAUD</b>		
<b>4.1</b>	<b>Counter Fraud Progress Update</b>	

Item		Action
	<p>CG presented the progress update as of 30 June 2018 and confirmed that 15 days of counter fraud work had been completed.</p> <p>There were currently four cases under investigation, of which:</p> <ul style="list-style-type: none"> <li>• Three were for Student Awards Services costs. One repayment had been agreed and a cheque was received for £4,000 with the balance due at the end of August.</li> <li>• One was a prosecution case, which had been submitted to the Crown Prosecution Service (CPS) and was in Court on 30 April, where the Defendant had plead guilty to the offences.</li> </ul> <p>Three fraud awareness sessions were been held as part of induction training at Companies House and Matrix House. Future sessions were planned for Procurement Services staff at their various locations.</p>	
4.2	<p><b>Counter Fraud Self Review Tool Submission</b></p> <p>CG introduced the report and explained that the submission was completed annually as a self-assessment exercise. Our submission was based on the services provided to Velindre NHS Trust as a whole and would be signed off by Velindre’s Director of Finance, prior to submission to the NHS Counter Fraud Authority. The Authority undertake a full and focused assessment of health bodies on a three-year cycle.</p> <p>Most of the areas had been assessed as green. However, there were some amber scores, which stem from the Counter Fraud Policy being due for review and awareness sessions that were yet to be completed. It was confirmed that AB would meet with CG to update the Policy.</p>	AB/CG
4.3	<p><b>Counter Fraud Annual Report</b></p> <p>CG presented the Counter Fraud Annual Report for 2017/18, which was specific to NWSSP for the first time, rather than being a Trust-wide report. The report summarised the work undertaken during 2017-18. CG stated that four new investigations were undertaken, to add to the five investigations carried forward from the previous year and that each of the planned 75 days were utilised.</p>	
<b>ASSURANCE, RISK &amp; GOVERNANCE</b>		

<b>Item</b>		<b>Action</b>
<b>5.1</b>	<p><b>Governance Matters</b></p> <p>AB presented the report, which demonstrated that a small number of contracts had been let since the last meeting and as requested, more detail had been included in the Appendices.</p> <p>The stores write-offs figure was reported as higher than usual and this was due to the need to write-off a large amount of stock where the normal electronic flag did not highlight the fact that stock was close to its use by date. In an effort to try to resolve the matter, All Wales Catering Managers were contacted to establish distribution of the product. However, it was noted that they were unable to accept any goods with less than 30 days left on the use by date.</p> <p>A discussion took place as to how these type of products might be of use going forward, with suggestions made regarding donations to food banks and homeless shelters. AB confirmed that he would ask the Director of Procurement Services for an update in relation to this matter.</p>	<b>AB/MR</b>
<b>5.2</b>	<p><b>Tracking of Audit Recommendations</b></p> <p>PS presented the report and noted that that there were no outstanding recommendations, at present and that we continue to monitor these through Senior Management Team meetings, on a monthly basis.</p> <p>There were two recommendations outside of NWSSP's gift of implementation and these have an agreed revised completion date of September. It was requested that should the target date not be met, that Director of Employment Services would attend the meeting in October to provide an update as to progress.</p> <p>It was agreed that going forward, table 1 and figure 1 would no longer be included in this report.</p>	<b>PT/LW</b>  <b>RD</b>
<b>5.3</b>	<p><b>Audit Committee Annual Report 2017-18</b></p> <p>RD presented the fifth Audit Committee Annual Report, which provided the Committee with an overview of work undertaken during 2017-18.</p> <p>It was noted that attendance figures required a minor amendment to specify where dates were not applicable. RD confirmed that the benchmarking exercise with Velindre NHS Trust, for the Audit</p>	<b>RD</b>  <b>RD</b>

Item		Action
	<p>Committee Effectiveness Survey would be undertaken in October and findings would be brought back to the Committee.</p> <p>Following approval, the Annual Report would be published on the staff intranet, website and would be taken to the Shared Services Partnership Committee (SSPC) and Velindre Trust Board.</p> <p>The Committee resolved to <b>APPROVE</b> the Annual Report.</p>	
<b>5.4</b>	<p><b>Annual Review of Audit Committee Terms of Reference</b></p> <p>RD presented the annual review of the Committee's Terms of Reference and noted that minor changes had been effected in order to reflect current operating arrangements for the Committee, including changes to members and job titles.</p> <p>Following approval, the Terms of Reference would be published on the staff intranet, website, would be taken to Velindre Trust Board. Further, the Standing Orders of the Shared Services Partnership Committee (SSPC) would require amendment to reflect this.</p> <p>The Committee resolved to <b>APPROVE</b> the Terms of Reference.</p>	
<b>5.5</b>	<p><b>Health &amp; Care Standards Self-Assessment 2017-18</b></p> <p>RD presented the Health and Care Standards Summary Report to the Committee and confirmed that the overall self-assessment had scored 3, which was consistent with previous ratings and across NHS Wales.</p> <p>RD confirmed that an action plan would be developed to highlight areas for improvement and to integrate actions arising from our Corporate Health Standard mock assessment. The action plan would be brought to the next meeting, with a view to working towards a self-assessment score of 4.</p>	<b>RD</b>
<b>ITEMS FOR INFORMATION</b>		
<b>6.1</b>	<p><b>Annual Review for NWSSP 2017-18</b></p> <p>The Committee complemented the style of the document and the graphics included within the Annual Review. It was noted that the document would be published on both the staff intranet and website and that a small number of hard copies would be printed in a bilingual.</p>	

<b>Item</b>		<b>Action</b>
<b>6.2</b>	<p><b>Annual Governance Statement 2017-18</b></p> <p>The final version of the Annual Governance Statement 2017-18 was presented to the Committee with all outstanding actions having been updated. RD advised that the document would be published on the staff intranet, bilingually on the website and that Velindre's Annual Accounts would also include a link to this document.</p>	
<b>6.3</b>	<p><b>Forward Plan</b></p> <p>The Forward Plan was provided for information only.</p>	
<b>ANY OTHER BUSINESS (Prior Approval Only)</b>		
<b>7.1</b>	No further issues raised.	
<p><b>DATE OF NEXT MEETING:</b></p> <p>Tuesday, 23 October 2018 from 13:30-16:00 NWSSP Boardroom HQ, Charnwood Court, Nantgarw</p>		

**Velindre NHS Trust Audit Committee for NHS Wales Shared Services Partnership  
Matters Arising**

Actions arising from the meeting held on 5 June 2018			
2.3	PS	<b>Review of NWSSP Risk Management Protocol</b> Risk Appetite Statement to be brought to a future Committee meeting.	Completed Agenda Item
Actions arising from the meeting held on 24 July 2018			
1.5	PS	<b>Matters Arising</b> To provide an updated on risk scoring, targets and appetites.	Completed Agenda Item
2.1	RD	<b>Wales Audit Office (WAO) Nationally Hosted NHS IT Systems Report 2017-18</b> Recommendations to be added to the audit tracker and completion dates to be agreed.	Completed
2.2	PS	<b>Wales Audit Office (WAO) Management Letter 2017-18</b> Meeting with Accounts Payable to demonstrate our process.	Completed
4.2	AB/CG	<b>Counter Fraud Self-Review Tool Submission</b> Review to be undertaken of the Velindre University NHS Trust Counter Fraud Policy.	Ongoing
5.1	AB	<b>Governance Matters</b> Summary update to be provided as to how stores write-offs may be utilised.	Completed Agenda Item
5.2	RD	<b>Tracking of Audit Recommendations</b> Where recommendations are overdue and outside of our gift of implementation, it was requested that an update be provided by Responsible Officers.	Completed
5.2	RD	<b>Tracking of Audit Recommendations</b> It was agreed that going forward, table 1 and figure 1 would no longer be included in the report.	Completed Agenda Item
5.3	RD	<b>Audit Committee Annual Report 2017-18</b> Attendance figures required a minor amendment to specify where dates were not applicable.	Completed
5.3	RD	<b>Audit Committee Annual Report 2017-18</b> Benchmarking exercise with Velindre NHS Trust on the Audit Committee Effectiveness Survey to be undertaken and findings would be brought back to the Committee.	Completed Agenda Item
5.5	RD	<b>Health &amp; Care Standards Self-Assessment 2017-18</b> Action Plan to be developed to highlight areas for improvement and to integrate actions arising from our Corporate Health Standard mock assessment, to be brought back to the Committee.	Completed Agenda Item



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	2.1
<b>PREPARED BY</b>	Craig Greenstock, Counter Fraud Manager
<b>PRESENTED BY</b>	Nigel Price, Local Counter Fraud Specialist
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Counter Fraud Progress Report

## **PURPOSE**

The purpose of the Counter Fraud Progress Report is to provide the Audit Committee with and update report of all NHS Counter Fraud work undertaken, for the period ended 30 September 2018. The report style has been adopted, in consultation with the Director of Finance and Corporate Services, with the prime objective of informing, and updating, the Audit Committee members of the outline detail of significant changes in cases that have been worked on during the period, in addition to any current operational issues.

## **1. INTRODUCTION**

In compliance with the Secretary of State for Health Directions on Countering Fraud in the NHS, regular progress update reports are required to be presented to the Health Bodies' Audit Committee, which should outline the current standing of any Counter Fraud and Corruption work carried out within the Health Body as at the date of the Audit Committee meeting.

The Local Counter Fraud Specialist (LCFS) to plan and agree, with the Finance Director, an Annual Work-Plan containing a suggested number of days that is a framework on which to build and develop robust Counter Fraud arrangements and which recommends, to the Health Bodies' Audit Committee, the resources necessary to undertake work effectively across the areas of action outlined in NHS Counter Fraud Policy and Procedures.

Fraud committed against the NHS has a financial impact, since the Health Body would have suffered an initial financial loss as a result of the subject's actions.

## **2. CURRENT POSITION**

The work of the Health Body's Counter Fraud staff is undertaken in order to attempt reduce the level of fraud and/or corruption within NWSSP to a minimum and keep it at that level in order to free up resources for patient care.

Any negative publicity received as a result of media reports may have an effect on the reputation of the Health Body. However, by publicising any action taken against the individual(s) would also show that fraud committed against the NHS will not be tolerated and this may also serve as a deterrent to others.

## **3. ACTIONS/RECOMMENDATIONS**

The Audit Committee are asked to:

- **RECEIVE** and **DISCUSS** the Counter Fraud Progress Report



# **NHS WALES SHARED SERVICES PARTNERSHIP**

**Audit Committee - 23<sup>rd</sup> October 2018**

**Counter Fraud Progress Report  
as at 30<sup>th</sup> September 2018**

**CRAIG GREENSTOCK  
COUNTER FRAUD MANAGER  
CARDIFF & VALE UNIVERSITY HEALTH BOARD**

# NHS WALES SHARED SERVICES PARTNERSHIP

AUDIT COMMITTEE 23<sup>rd</sup> OCTOBER 2018

## 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, I detail below the standing of the current Counter Fraud and Corruption work carried out, by the nominated Local Counter Fraud Specialists, during the period ended 30<sup>th</sup> September 2018.

The Progress Report's style has been adopted, in consultation with the Velindre NHS Trust and NWSSP's Finance Directors, with the prime objective of informing, and updating, the Audit Committee members of the outline detail of significant changes in cases worked on during the period and any current operational issues.

Progress against the NWSSP Annual CF Work-Plan of **75days**, has been reported in **Appendix 1** and as at 30<sup>th</sup> September 2018, **25days of** Counter Fraud work has been undertaken and this has also been reported in **Appendix 1**.

Any significant changes in the progress/work undertaken are outlined in point 2 below.

## 2. CURRENT CASE UPDATE

There are currently three (3) cases currently under investigation which are at varying stages. Verbal updates on the progress made, to date, will be given to the Audit Committee.

## 3. PROGRESS AND GENERAL ISSUES

### 3.1 Fraud Awareness Presentations

During the period a total of four (4) separate fraud awareness sessions have been held in conjunction with staff based within the various Divisions of the Trust including the various Hosted Bodies (e.g NWSSP, NWIS, Welsh Blood etc).

Of the sessions held to date, these include one session was given to Procurement staff based in Nantgarw in addition to three (3) Corporate Induction sessions carried out in North Wales, Companies House in Cardiff and Matrix House in Swansea.

### 3.2 National Fraud Initiative 2016/17 and 2018/19

For 2016/17, Velindre NHS Trust, as the governing body, processed, in conjunction with staff from the NHS Wales Shared Services Partnership, all relevant information (e.g. DOB, NI Number, Address, Creditor Name etc) from the individual Payroll and Accounts Payable database systems. The Trust received it's NFI report in January 21017 which contained details of all relevant "matches" and these have been investigated during 2017 and 2018 for any anomalies, examples of which if identified, would have been reported to the Audit Committee and then form part of the Auditor General for Wales final report.

For the next NFI which is scheduled for 2018/19, the Trust now has arrangements in place, together with the NHS Wales Shared Services Partnership, to provide all relevant information in accordance with the detailed timetable for submission of the data sets in October 2018.

<b>COUNTER FRAUD SUMMARY PLAN ANALYSIS 2018/19</b>
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<b>AREA OF WORK</b>	<b>NWSSP</b>	<b>Days to Date</b>
<b>General Requirements</b>		
Production of Reports to Audit Committee	3	1
Attendance at Audit Committees	3	0
Planning/Preparation of Annual Report and Work Programme	5	5
<b>Annual Activity</b>		
Creating an Anti Fraud Culture	4	2
Presentations, Briefings, Newsletters etc.	14	4
Other work to ensure that opportunities to deter fraud are utilised	2	0
<b>Prevention</b>		
The reduction of opportunities for Fraud and Corruption to occur	3	0
<b>Detection</b>		
Pro-Active Exercises (e.g. Payroll etc)	3	0
National Fraud Initiative 2016/17	2	1
<b>Investigation, Sanctions and Redress</b>		
The investigation of any alleged instances of fraud	30	12
Ensure that Sanctions are applied to cases as appropriate	4	0
Seek redress, where fraud has been proven to have taken place	2	0
<b>TOTAL NWSSP</b>	<b>75</b>	<b>25</b>

<b>COUNTER FRAUD ASSIGNMENT SCHEDULE 2018/19</b>
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<b>Case Ref</b>	<b>Subject</b>	<b>Status</b>	<b>Open/Closed</b>
SSP14.05	Unauthorised Sale of NHS Property	Crown Court Hearing (Suspended Sentence) Civil Recovery (5k) still being made at £50 per month	Open - Balance o/s £2524.25
SSP15/04	False Claim for Costs	Crown Court Hearing 18.10.17. Female defendant was sentenced to 2yrs in prison and male defendant sentenced to 6mths in prison. Defendant also ordered to repay £9,545 in compensation to the NHS within three (3) months and a further £13,713 to be paid to the Dept of Works and Pensions (DWP). The remaining sum of £68,165, owed to the DWP, is to remain on file for further consideration.	Closed in Qtr 2 - NHS payment received in full.
SSP16/04	False Claim for Costs	Magistrates Court Hearing - March 2017. Subject was fined £200 and ordered to pay compensation of £120 and £400 Costs - Awaiting outcome of internal University Fitness to Practice.	Closed in Qtr 2
SSP18.03	False Claim for Costs	No evidence to support allegation. No further action to be taken on advice from CPS.	Closed in Qtr 1
SSP18.04	False Claim for Costs	No evidence to support allegation. Unable to trace named individual.	Closed in Qtr 1
SSP18.05	False Claim for Costs	Interview under caution on 13/4/18 - Prosecution case file now to be submitted to CPS	Open
SSP19.01	Unauthorised DBS Computer Access and possible GDPR issues	Initial background checks being made.	Open



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.1
<b>PREPARED BY</b>	Peter Stephenson, Head of Finance and Business Development
<b>PRESENTED BY</b>	Peter Stephenson, Head of Finance and Business Development
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	NWSSP Risk Appetite Statement

## **PURPOSE**

To provide the Audit Committee with sight of a Risk Appetite Statement for NWSSP that was approved at the September Shared Services Partnership Committee (SSPC).

## **1. INTRODUCTION**

The Risk Appetite Statement is presented below for information.

## **2. RECOMMENDATION**

The Audit Committee is asked to:

- **NOTE** the Risk Appetite Statement.

## **NHS Wales Shared Services Partnership Risk Appetite Statement**

### **Introduction**

NWSSP is committed to achieving and maintaining the highest standards of managerial practices that maximise and progress service benefits. NWSSP recognises that effective risk management is a key component of corporate governance and is critical to achieving the strategic objectives of the organisation.

NWSSP's Risk Management Protocol seeks to ensure that there is an effective process in place to manage risk across the organisation. Risk management is part of management decision-making and is the responsibility of all staff. Risks are identified, assessed and managed at a corporate level ('top-down') and operational level ('bottom-up'). Managers have a responsibility to evaluate their risk environment, to put in place appropriate controls, and monitor the effectiveness of these controls.

An organisation's risk appetite is defined as the amount and type of risk that the organisation is willing to take in the pursuit of its strategic objectives. The risk appetite can help NWSSP by enabling the organisation to take decisions based on an understanding of the risks involved and communicating expectations for risk-taking to managers.

NWSSP has undertaken a review to identify the most commonly used framework for NHS organisations and confirmed that this is one developed by the Good Governance Institute (Table 1).

Following Shared Services Partnership Committee (SSPC) approval of the Risk Appetite Statement, work will take place to communicate the risk appetite levels to staff and embed it throughout the organisation. It will also be a key reference document in discussions regarding the risks on the Board Assurance Framework and NWSSP risk register, ensuring these are in line with NWSSP's risk appetite.

The Risk Appetite Statement will be presented to the SSPC for approval on an annual basis, or sooner if circumstances require.

**Table 1. Good Governance Institute Framework**

<b>Appetite Level</b>	<b>Described as:</b>
<b>None</b>	<b>Avoid.</b> The avoidance of risk and uncertainty is a key organisational objective.
<b>Low</b>	<b>Minimal.</b> Preference for ultra-safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.
<b>Moderate</b>	<b>Cautious.</b> Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.
<b>High</b>	<b>Open.</b> Willing to consider all potential delivery options and choose while also providing an acceptable level of reward (and VfM).
<b>Significant</b>	<p><b>Seek.</b> Eager to be innovative and to choose options offering potentially higher business rewards despite greater inherent risk.</p> <p><b>Mature.</b> Confident in setting high levels of risk appetite because controls, forward scanning and responsiveness systems are robust.</p>

**General Statement of Appetite**

NWSSP faces a broad range of risks reflecting its responsibilities. The risks arising from our responsibilities can be significant. These risks are managed through detailed processes that emphasise the importance of integrity, intelligent inquiry, maintaining high quality staff and public accountability.

NWSSP make resources available to control operational risks at acceptable levels and we recognise that it is not possible or indeed necessarily desirable to eliminate some of the risks inherent in our activities. Acceptance of some risk is often necessary to foster innovation within the services for which we are responsible.

This statement considers the most significant risks to which NWSSP is exposed and provides an outline of the approach to managing these risks. All strategic and business plans for operational areas must be consistent with this Statement. Given the range of our activities and responsibilities, it is not appropriate to make a single overarching statement of our attitude to risk. Instead, a range of risk appetite statements arising from the different areas of our work are set out below.

## **1. Quality.**

The provision of high quality services is of the utmost importance for NWSSP. This means that NWSSP has **no appetite** for risks that could result in poor quality of service provision.

## **2. Compliance.**

NWSSP has a **low appetite** to any risk that prevents the SSPC demonstrating the highest standards of accountability and transparency.

Non-compliance with legal and statutory requirements undermines public and stakeholder confidence in NWSSP, has the potential for harm and legal consequences and therefore NWSSP has **no appetite** in relation to these risks.

NWSSP has a preference for safe delivery options rather than risk breaching statutory or compliance obligations.

We have **no appetite** for risks that could result in NWSSP being non-compliant with UK law or healthcare legislation, or any of the applicable regulatory frameworks in which we operate.

## **3. Research & Development.**

NWSSP has a **moderate appetite** for risks associated with innovation, research and development in order to take forward our vision to become a world-class organisation.

NWSSP will only take risks when it has the capacity to manage them and is confident that there will be no adverse impact on the safety and quality of the services provided.

## **4. Innovation.**

NWSSP has a **high appetite** for risks associated with innovation and partnership with industry and academia in order to realise the provision of new service delivery options, new technologies, efficiency gains and improvements in practice. However, NWSSP will balance the opportunities with the capacity and capability to deliver such opportunities and is confident that there will be no adverse impact on the safety and quality of the services provided.

## **5. Reputation & Public Confidence.**

NWSSP will maintain high standards of conduct, ethics and professionalism at all times and has **no appetite** for risks or circumstances that could cause reputational damage to NWSSP or a loss in public confidence.

## **6. Performance & Service Sustainability**

NWSSP has a **moderate appetite** to accept risks to our portfolio of services if they are consistent with the achievement of safety, efficiency and quality improvements as long as safety, quality, financial and effective outcomes are maintained.

## 7. Financial Sustainability

NWSSP is entrusted with public funds and must remain financially viable while safeguarding the public purse. NWSSP has **no appetite** for accepting or pursuing risks that would leave the organisation open to fraud or breaches of Standing Financial Instruction.

## 8. Workforce & OD

NWSSP is committed to recruit and retain staff that meet the high quality standards of the organisation and will provide on-going development to ensure all staff reach their full potential. This key driver supports our values and objectives to maximize the potential of our staff to implement initiatives and procedures that seek to inspire staff and support transformational change whilst ensuring it remains a safe place to work.

NWSSP has **no appetite** for risks associated with unprofessional conduct, underperformance, bullying or an individual's competence to perform roles or tasks safely nor any incident or circumstances which may compromise the safety of any staff members or group.

## 9. Partnerships

NWSSP works in partnership arrangements with other Health Boards, Trusts, Local Authorities, academia, independent organisations and the voluntary sector and therefore has a **moderate appetite** to seek out opportunities and take greater inherent risks for higher rewards in pursuit of partnership development and collaborative working where this is considered advantageous to achieving its aims.

Working collaboratively with national and local partners requires some moderate risk to be accepted as we develop longer-term strategic plans to deliver stronger and more resilient services.

The above can be summarised as follows:

<b>1</b>	Quality	No appetite
<b>2</b>	Compliance	Low appetite (no appetite for legislative or statutory non-compliance)
<b>3</b>	Research & Development	Moderate
<b>4</b>	Innovation	High
<b>5</b>	Reputation & Public Confidence	No
<b>6</b>	Performance & Service Sustainability	Moderate
<b>7</b>	Financial Sustainability	No
<b>8</b>	Workforce & OD	No
<b>9</b>	Partnerships	Moderate

## **Conclusion**

This statement has acknowledged that NWSSP faces a broad range of risks reflecting its responsibilities and that some of these can be significant.

It has also asserted that risk management is part of management decision-making and is the responsibility of all staff. It has reaffirmed that Managers have a responsibility to evaluate their risk environment, to put in place appropriate controls and monitor the effectiveness of these controls.

Our next steps are to communicate NWSSP's risk appetite levels to staff and support them to implement a revised process for the escalation of risks. This will be achieved through the practical adoption of these risk appetite levels in the way that the Directorate and Corporate Risk Registers function in the future. Directorate Senior Management meetings and the NWSSP Senior Management Team will be the conduit through which this new process will be led.

This statement will be reviewed in the Autumn of 2019, unless circumstances dictate that an earlier review is necessary.

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.2
<b>PREPARED BY</b>	Peter Stephenson, Head of Finance and Business Development
<b>PRESENTED BY</b>	Peter Stephenson, Head of Finance and Business Development
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	NWSSP Corporate Risk Register – October 2018

## **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:

<b>Current Risk Rating</b>	<b>October 2018</b>
Red Risk	2
Amber Risk	9
Yellow Risk	1
Green Risk	0
<b>Total</b>	<b>12</b>

### **2.1 Red-rated Risks**

#### ***Risk A1 - Demise of the Exeter Software System*** ***Current Risk Score: Red 20***

The preferred option for the replacement of the GMS Payments system is the Northern Ireland model but we are still awaiting both detail on costs and confirmation that they will be allowed to provide services to us. Revised costs have been received from Capita in respect of the option to

take their solution. GOS payments will continue to be paid through Open Exeter and a SLA in in place until April 2019, with the expectation that this is likely to be extended for at least a further year. PCRM will be provided through NHS Digital in future with hopefully minimal impact in terms of GP workload. We are also aware that delays in implementing the new GMS payment system in England reduce some of the imminent pressure in terms of updating and/or changing systems for NHS Wales.

**Risk A2 – Impact of a No-Deal Brexit**  
**Current Risk Score: Red 20**

We have only recently been brought into the loop in terms of updates from Welsh Government, and significant activity is now taking place to assess storage capacity, and the required infrastructure to support it, for significant additional medical consumables in the event of a no-deal Brexit. There may also be the requirement to support social care as well.

**2.2 New Risks**

Risk A2 above has been added to the Corporate Risk Register since the last meeting of the Audit Committee.

**3. RISKS FOR MONITORING**

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

Current Risk Rating	October 2018
Red Risk	0
Amber Risk	1
Yellow Risk	3
Green Risk	1
<b>Total</b>	<b>5</b>

**4. ASSESSMENT/GOVERNANCE & RISK ISSUES**

There is a significant risk to the NWSSP if robust governance arrangements are not in place for risk management and each Director has responsibility for notifying the SMT of any risks that could have a financial impact if arrangements are not in place to manage risk. If there are insufficient communication flows to manage risk then there could be a resulting adverse effect on NWSSP and its customers.

**5. 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				
<b>Risks for Action</b>												
A1	Risks associated with the demise of the Exeter system coming to an end in 2015, with no replacement system designed for NHS Wales. The contract in NHS England has been outsourced to Capita.	4	5	20	Establishment of NHS Wales Steering Group. High level option appraisal undertaken. Mapping exercise completed with Capita and PCS subject matter experts to identify gaps between NHSE and NHSW.	4	5	20	Review costings when received from Northern Ireland and submit business case (PS 30 June 2018) - figures still awaited at 9 Oct).	Regarding GMS, there are 3 potential options: 1. NHS Wales redevelop the GMS payments system; 2. Contract with CAPITA; 3. To engage with Northern Ireland.  Northern Ireland is preferred option and visit undertaken in Apr 18. Detailed costings still awaited at 7/9/18 and there is a potential governance issue over whether NI can provide services to us.  NAO review in England now makes June 20 a more realistic date for the system to be switched off. NHS Digital have been approached to explore a formal agreement to extend support for NHAIS and OE to March 2020 to ensure that appropriate replacement solutions can be sourced.	➔	31-Dec-18
	<b>Escalated Directorate Risk</b>									<b>Risk Lead: Director of Primary Care Services</b>		
A2	Threats to the supply of medical consumables in the event of a no-deal Brexit.	4	5	20	Regular discussions with UK and Welsh Governments	4	5	20		Matter is in hands of Welsh Government to make decisions on whether to invest in additional stock and related infrastructure.	✳	31-Mar-19
	<b>Strategic Objective - Customers</b>									<b>Risk Lead: Director of Procurement Services</b>		
A3	Disruption to services and threats to staff due to unauthorised access to NWSSP sites.	5	4	20	Manned Security at Matrix CCTV Locked Gates installed at Matrix.	3	4	12	Undertake reviews of security at all sites (ND 31/10/2018)	Further incident noted at Companies House - full investigation undertaken and report produced and shared with CH who are undertaking independent penetration testing of physical security. Security review commissioned and is being undertaken by the Police Increased traveller activity noted close to Matrix House	➔	30-Oct-18
	<b>Strategic Objective - Staff</b>									<b>Risk Lead; Director Specialist Estates Services/Director of Finance and Corporate Services</b>		
A4	NWSSP are unable to recruit and retain sufficient numbers and quality of staff for certain professional services (Procurement Services) resulting in a potential failure to meet desired performance targets and/or deliver service improvements.	5	4	20	Staff Surveys & Exit Interviews Monitoring of turnover and sickness absence Workforce & OD Framework Work with Great With Talent to develop On-Boarder, Absence & Exit questionnaires (3, 6 and 12 months) Development of Clerical Bank Strengthened relationship with local universities Work-based degree opportunities in some professional services Use of Social Media Use of Recruitment Consultants Targeted Advertising - Trade Journals	4	3	12	Exit interviews to assess rationale for staff leaving employment - 31 Mar 2018 (HR) - on hold due to procurement tender exercise	Recruitment and retention remains a concern, particularly within professional posts primarily with the procurement services function.  Recruitment has improved in other professional functions.  Work is taking place with all services to have in pace agile recruitment and retention strategies to attempt to address these concerns, utilising available data and information.	➔	31-Dec-18
	<b>Strategic Objective - Staff</b>									<b>Risk Lead: Director of Workforce and OD</b>		

A5	NWSSP is unable to adequately demonstrate the value it is bringing to NHS Wales due to insufficiently developed reporting systems.	4	4	16	<p>Quarterly Performance Reports to Health Boards &amp; Trusts</p> <p>Performance Reporting to SSPC &amp; SMT</p> <p>SSPC Assurance reports</p> <p>Periodic Directorate Meetings with LHBS &amp; Trusts</p> <p>Quarterly meetings with LHB and Trust Exec Teams</p> <p>Regular updates to Peer Groups (DOF's, DWODS, Board Secretaries)</p> <p>Customer Satisfaction Surveys</p> <p>Internal Audit Review (May 2018)</p> <p>Presentations from CEB Gartner (June 2018)</p>	3	4	12	<p>1. Introduce consistent approach in reporting and meetings for all directorates and all LHBS &amp; Trusts (AB)</p> <p>2. Review and refine performance framework - (MR - 31 Dec 2018)</p> <p>3. Work proactively to support NHS Wales in delivering the actions outlined within the NHS Wales Chief Executives National Improvement Programme (NIP)</p>	<p>1. Completed</p> <p>2. Ongoing</p> <p>3. Paper taken to All Wales Finance Directors meeting in 09/2017.</p>	➔	31-Dec-18
<b>Strategic Objective - Value For Money</b>		<b>Risk Lead: Director of Finance &amp; Corporate Services</b>										
A6	The transfer of responsibilities and staff in Bridgend from ABMU to CTUHB wef April 2019 will have significant implications for NWSSP processes and workloads.	5	4	20	<p>Standing item on SMT agenda</p> <p>Programme Director attends SMT periodically</p> <p>NWSSP on finance and governance workstreams</p>	4	3	12	<p>Respond to Programme Director with implications for NWSSP - AB/PS 17 Sept 18</p> <p>Ensure representation on HR Workstream (GH) - 30 Sept 18</p>	<p>NF has spoken with CEOs of both HBs and got agreement that NWSSP will be included in all relevant planning discussions.</p>	➔	31-Mar-19
<b>Strategic Objective - Customers</b>		<b>Risk Lead: Director of Finance and Corporate Services</b>										
A7	<p><b>NHS Wales A4C Pay Award and Priority Service Reconfiguration</b> : NWSSP integral to national pay negotiations and delivery of 2018 A4C Pay Award and payment of T&amp;C arrears. Depending on progress of negotiations implementation is proposed for July/Aug 18 running in parallel with significant service change:</p> <ul style="list-style-type: none"> <li>- M&amp;D Trainee Rotation</li> <li>- Establishment of HEIW</li> <li>- Payment of T&amp;C Arrears</li> <li>- CTUHB/ABMUHB Transfer</li> </ul>	5	4	20	<p>Draft framework in place</p>	3	4	12	<p>Escalate potential July/Aug timescales with IBM to secure and maximise application of new Award and T&amp;C's in ESR</p> <p>Work commenced to establish payment of T&amp;C arrears to individuals</p> <p>Pay modelling to inform negotiations to speed up decision process.</p>	<p>Pay Award now agreed and to be paid In October with arrears in November.</p>	➔	31-Dec-18
<b>Escalated Directorate Risk</b>		<b>Risk Lead: Assistant Director Employee Services</b>										
A8	NWSSP's lack of capacity to develop our services to deliver further efficiency savings and introduce innovative solutions for NHS Wales and the broader public sector.	4	4	16	<p>IMTP</p> <p>Horizon scanning days with SMT and SSPC to develop services</p> <p>Established new Programme Management Office (PMO)</p> <p>IT Strategy</p> <p>Regular reporting to SMT and SSPC</p>	3	3	9	<p>1. Implementation of project management software (AB)</p> <p>2. Invest in Robotic Process Automation (AB)</p>	<p>1. Procurement pilot project completed - currently being rolled out in NWSSP</p> <p>2. RPA pilot in progress</p>	➔	31-Dec-18
<b>Strategic Objective - Service Development</b>		<b>Risk Lead: Director of Finance &amp; Corporate Services</b>										
A9	Risks arising from changes introduced by the Welsh Government to the NHS Bursary Scheme whereby students now have to commit to work in Wales for the two years following completion of their course in order to receive the full package of benefits.	4	4	16	<p>Governance Group with four workstreams established to meet all aspects of this announcement.</p>	3	3	9	<p>Further work required to develop the repayment mechanism. (PT)</p>	<p>The new scheme has been successfully implemented, however, further work required to develop the repayment mechanism.</p> <p>Developing an UCAS style system for placing students into jobs.</p>	➔	31-Dec-18
<b>Strategic Objective - Service Development</b>		<b>Risk Lead: Director of Finance and Corporate Services</b>										
A10	Lack of effective succession planning at a senior level will adversely impact the future and strategic direction of NWSSP due to the age profile of the SMT.	4	3	12	<p>Workforce &amp; OD Framework</p> <p>On-going development of existing staff to ensure a ready supply of staff to meet the maturing organisation's needs.</p> <p>Leadership Development Programmes</p>	3	3	9	<p>1. Develop a plan which includes likely key dates for each of the affected services and which prioritises succession planning based on proximity of risk (HR) 31 Dec 18</p> <p>2. NHS Wales Leadership Programme - identify key staff with potential for future development and encourage them to undertake the leadership programme - (HR) 31 Dec 18</p> <p>3. National Succession Strategy for NHS Wales - participate in the work of the national group and identify high performing staff who may be eligible for consideration to support succession planning requirements - (HR) 31 Dec 18</p>	<p>Recent appointments of senior staff have helped to address this risk.</p>	➔	31-Dec-18

	<b>Strategic Objective - Staff</b>										<b>Risk Lead: Director of Workforce and OD</b>		
<b>A11</b>	Operational performance is adversely affected through the use of some out-of-date software systems, lack of consistent IT support across NHS Wales resulting in interoperability issues and the limited capacity of NWIS to meet the demand for IT development to develop our services.	4	5	20	Created a Business Systems and Informatics Department Service Level Agreement (SLA) in place with NWIS Significant additional capital funding obtained from Welsh Government in prior year for IT investment Development of draft IT strategy Quarterly Reporting of Performance to SMT	1	4	4	1. Finalise IT Strategy for NWSSP, to include an IT replacement strategy - complete 2. Consolidate Desktop support from one strategic partner - currently a mix of arrangements (NWIS & BCU) - 31 Mar 2018 (AB) 3. Finalise Cyber Security Action plan - complete 4. Develop an overarching Business Continuity plan for NWSSP incorporating operational, IT and building requirements and test the plan annually - 30 Jun 18 (PS)	All actions on track and a consultant from the Wales Quality Centre is currently working with NWSSP to enhance BCP arrangements.  1. Completed 2. Ongoing 3. Completed 4. Ongoing - plan developed and to be tested in Sept.		↓	31-Dec-18
	<b>Strategic Objective - Excellence</b>										<b>Risk Lead: Director of Finance &amp; Corporate Services</b>		
<b>A12</b>	Failure to comply with Welsh Language requirements and capacity to meet the increased demand for Welsh translation services resulting from the implementation of the Welsh Language Standards leading to reputational damage for NWSSP.	3	4	12	Welsh Language Officer appointed Staff required to populate Welsh language skillset in ESR Welsh Language Translator appointed WL awareness is included within the face to face corporate induction training day Accredited WL training in place at several NWSSP sites WL monitoring report submitted to SMT External comms - WIAP project ensuring all web information is bilingual, graphic design, public events, etc	2	4	8	1. Undertake a Cost/benefits analysis to justify further investment in Welsh Language capacity - complete 2. Bilingual interface of TRAC recruitment software to be fully bilingual - complete 3. Investigate the potential for introducing a WL hub to provide support with translation for NHS Wales - complete 4. Undertake Internal Audit review of progress against Welsh Language Standards - currently being scoped.	Updates provided to both June and July SMT. A further translator has been appointed who will commence in post in Sept 18. Meetings held with Welsh Language Commissioner's Office at end of June 18 and draft compliance notice received in mid-July. 12 week consultation period but this includes the need to be approved by Velindre Board and all previous approvals (e.g. SMT). We will then have six months (and 12 months in exceptional cases) from November to demonstrate compliance with the standards.		→	31-May-19
	<b>Strategic Objective - Staff</b>										<b>Risk Lead: Director of Finance and Corporate Services</b>		
<b>Risks for Monitoring</b>													
<b>M1</b>	1. The Learning@Wales server provided and supported by NWIS requires enhancements to ensure user capacity is aligned with forecasted usage and is fully supported and managed to ensure provision of service does not degrade further.  Further enhancements are required to reporting capability as this is affecting the service provided and reputation of NWSSP.  2. The ESR e-learning server is currently provided by NWSSP, via a server located in Manchester. This server has little resilience and requires hosting within NWIS DMZ with a fully supported service management wrap.  Over 70% of learning undertaken in NHSW at 07/2017 was via e-learning. There would be a significant impact on the compliance of the workforce if the server failed.	4	4	16	Additional support provided from NWIS to schedule reports out of hours to minimise impact on server disruption.  Significant cleansing and formatting of reports by DWS Team before they are forwarded to organisations to enable them to manage compliance.  NWSSP IT function have enabled a temporary solution via the Manchester server.	2	4	8	1. Escalation with NWIS for resolution.  2. Provision of fully supported server, hosted in NWIS, DMZ required.	1. A part-solution is in place for reporting but the final reporting solution is still to be sourced. NWIS are making progress and a recent meeting has taken place where the specification and possible solutions have been discussed. NWIS need to go out to advert for a specialist to support this work and they have also submitted a request for a new server build for this project. A further update will be available at the end of June following the next meeting.  2. We are awaiting confirmation from NWIS on the timeline for the server move. The server is currently resilient and there is a meeting with NWIS on 13/6 where we hope to get clarification on a new migration timeline.		↓	
	<b>Escalated Directorate Risk</b>										<b>Risk Lead: Director of Workforce and OD</b>		
<b>M2</b>	Reputational impact due to issues within the Accounts Payable (AP) team that have resulted in the delay in payment to suppliers in a number of Health Boards and Trusts leading to failure to achieve their Public Sector Payment Policy (PSPP) targets.	4	4	16	Review of performance at regular meetings with LHBs and Trusts SMT review high level progress reports on regular basis Restructure of AP team to improve performance Action plan in place to address issues - has been subject to independent review Finance Academy has established P2P as a national project under the developing excellence initiative. Accounts payable helpdesk introduced	3	4	6	1. Complete implementation of action plan ( RW) 2. Internal Audit to complete follow up review ( SC) 3. The All Wales P2P group to provide regular updates on progress to the SMT (AB) 4. Appoint P2P Project Manager (AB)	1. Completed 2. Completed 3. Regular updates to Finance Directors and Committee 4. Completed  Actions taken to date have resulted in improvement in PSPP performance not now considered a problem. The introduction of the No PO/No pay Policy from June may have a short term adverse impact.		→	
	<b>Escalated Directorate Risk</b>										<b>Risk Lead: Director of Procurement Services</b>		

<b>M3</b>	Failure to ensure compliance with GDPR requirements leading to a serious breach which damages the reputation of NWSSP	4	3	12	Information Governance Steering Group Information Governance Manager Caldicott Guardian Senior Information Risk Owner (SIRO) Training programme for staff CPIP Annual Self-Assessment and Report Information Asset Owners in each Directorate ICO Audits Information Governance Risk Register Health and Care Standards	2	3	6	1. Information Governance Work Plan to be formally approved (AB) 2. Review lessons learned from IG breaches (AB) 3. GDPR Action Plan 4. Internal Audit review to be undertaken in 2018/19	1. Completed - IG Work Plan approved by IG Steering Group. 2. Ongoing - Standard agenda item on IG Steering Group; presentations delivered by each directorate, in turn.  NWSSP achieved a score of 96% in the latest Caldicott Principles into Practice assessment.	→	
	<b>Strategic Objective - Service Development</b>									<b>Risk Lead: Director of Finance &amp; Corporate Services in conjunction with Service Heads</b>		
<b>M4</b>	The establishment of HEIW from October 2018 will cause significant disruption and uncertainty for NWSSP staff.	5	4	20	Programme Board Regular presentation to SMT WEDS Legacy Statement produced	1	3	3	WEDS Legacy Statement to be produced for SSPC September meeting (JD) Review accuracy of suggested costs ahead of next Finance workstream (LP) 30 Sept 18	HEIW established 1 Oct 2018. Recognition now from WG that this will be a hugely expensive exercise. Concerns over impact on NWIS and whether our service from them will suffer as a result.	↓	
	<b>Strategic Objective - Staff</b>									<b>Risk Lead: Director of Finance and Corporate Services</b>		
<b>M5</b>	The forecasting of the Risk Pool spend is complex. Any inaccuracies could have a major impact on NHS Wales' ability to achieve financial balance and could adversely impact the reputation of NWSSP.  The change in the discount rate in February 2017 has increased the complexity of the calculations.	4	4	16	Appointment of a dedicated Risk Pool Accountant Introduction of Business Partnering Arrangements On-going development of robust forecasting arrangements Regular reporting to SSPC and Directors of Finance Subject to WAO review.	2	3	6	1. Closer working with Health Boards, Welsh Government and Solicitors required to maintain a current and accurate view of the level of risk.  2. Development of a forecasting model to map the financial impact of the discount rate change over the next 3 years.	Both actions completed. NWSSP have developed a forecasting system which incorporates all the latest information about cases over £250k available from the Solicitors. This has been agreed with Welsh Government.  A dialogue system is in place and forecasting is always on the LARS monthly Senior Team meeting, chaired by the Director and attended by Martin Riley and Legal & Risk Services' Senior Solicitors/Team Leaders.  Finance Directors were updated on the latest position in 01/2018. Additional funding has now been provided by HM Treasury.	→	
	<b>Escalated Directorate Risk</b>									<b>Risk Lead: Director of Finance &amp; Corporate Services</b>		

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

	New Risk
	Escalated Risk
	Downgraded Risk
	No Trend Change

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.3
<b>PREPARED BY</b>	Peter Stephenson, Head of Finance and Business Development
<b>PRESENTED BY</b>	Peter Stephenson, Head of Finance and Business Development
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Assurance Mapping – October 2018

## **PURPOSE**

To provide the Audit Committee with an update as to the progress made in mapping the assurances against each Directorate's inherent risks.

## **1. INTRODUCTION**

The updated paper containing the Directorate Assurance Maps is presented at **Appendix 1** for information.

## **2. RECOMMENDATION**

The Audit Committee is asked to:

- **NOTE** the updated Assurance Maps.

# **NWSSP**

# **Assurance Mapping**

23 October 2018

Audit Committee

# Introduction

An assurance map sets out pictorially the level of assurance against risks using the HM Treasury Three Lines of Defence Model. The benefit of this approach is that it both introduces a qualitative assessment to the assurance and provides an informative overview of whether the level of assurance for each risk is appropriate.

The map is produced using the following criteria to rate the required level of assurance, the individual assurance providers, and the overall current level of assurance:

Detailed Review of Relevant Information		
Medium Level Review		
Cursory or narrow scope review		

While the detailed review of relevant information obviously provides the most assurance, there is a place for each of the three categories in gaining assurance over a specific risk. For instance, a risk where there are multiple levels of detailed assurance may well indicate over-control with possible duplication of effort. Generally, there is likely to be more detailed assurance in the 1<sup>st</sup> line of Defence, with the other two categories being more prevalent in the 2<sup>nd</sup> and 3<sup>rd</sup> lines.

Assurance can be both positive and negative (i.e. just because a risk is well-assured, it does not necessarily mean that there isn't a problem with it. However, if there is a problem, good assurance means that the organisation should know about it at an early stage).

# Original Work Completed & Conclusion

Assurance Maps were completed and presented to the Audit Committee in November 2017 for the following areas:

Accounts Payable	Audit & Assurance
Business Systems & Information	Counter Fraud
Health & Safety	Health Courier Services
Legal & Risk Services	Payroll
Primary Care Services	Procurement
Recruitment	Specialist Estate Services
Workforce Education & Development Services	Workforce & Organisational Development

The maps were completed following meetings with the senior management teams of each of the above. The high volume transactional services such as Accounts Payable, Payroll, PCS, Procurement and Recruitment, all had sufficient levels of assurance in place to manage their known risks. This was also true for Audit & Assurance, SES, Workforce and WEDS. Services such as Counter Fraud and Legal & Risk were reasonably well assured but the nature of their service doesn't always make it easy to directly assure a risk. In both Business Systems and Information, and HCS, risks were less well assured and this seemed to derive from either management information not being currently sufficiently developed to provide a basis for assurance and/or from a lack of resource to analyse the information that is available.

# 2018 Update

The Assurance Maps are live documents and should be owned and updated as appropriate by the respective SMTs. It was suggested that they are reviewed annually by the Audit Committee as this will help to inform how internal audit work, in particular, should be directed.

An additional assurance map has been completed for the Welsh Infected Blood Support Scheme (WIBSS) and conversely the Workforce Education and Development Services has been removed as this is now part of Health Education & Improvement Wales. The remaining maps have either been updated, or confirmation received that they are still current.

In addition an overall Board Assurance Map has been produced which considers the assurance in place over the five key Strategic Objectives.

# 2018 Conclusions

As in 2017, the majority of Assurance Maps record a sufficient level of assurance over the key business risks. The exceptions to this are:

- Board Assurance Framework – performance management arrangements are in the process of being strengthened;
- Business Systems & Information – performance monitoring has improved but further work is still needed;
- Health Courier Services – Driving assessment and tracking system still not fully introduced; and
- WIBSS – governance arrangements are still immature and in need of development.







# Business Systems and Information

Risk	Required Assurance	1st Line of Defence - Business Management						2nd Line of Defence - Corporate Oversight						3rd Line of Defence - Independent Assurance						Current Assurance	Comment
		Qualified Staff	Policy & Procedures	Service Point Reports	Project Highlight Reports	Project Team Meetings	Cyber Plan	Corporate SMT meeting	NWSSP SMT	Project Board	IGSG	BCP	PMO	Internal Audit	WAO	Stratia Consulting					
Failure to respond to user requests promptly	Blue	Blue	Red	Blue			Red	Red					Red							Red	Performance reports have been developed
Failure to deliver projects on time and/or budget	Blue	Blue			Blue	Blue	Red	Red	Blue			Blue								Red	
Risk of cyber security attack	Blue	Blue	Blue	Blue		Blue	Red	Red	Blue	Blue		Blue	Red	Blue						Red	
Insufficient capacity and capability	Blue	Blue	Blue	Blue			Red	Red	Red	Red		Blue			Blue					Red	Ongoing review
Disaster recovery	Blue	Blue	Red			Blue	Red	Red	Red	Red	Blue		Blue		Blue					Purple	Ongoing review
Technology replacement (hardware and software)	Blue	Blue			Red	Red	Red	Red	Red	Red		Red								Red	Funding is a primary constraint e.g. Windows 10 upgrade

# Counter Fraud

Risk	Required Assurance	1st Line of Defence - Business Management						2nd Line of Defence - Corporate Oversight						3rd Line of Defence - Independent Assurance						Current Assurance	Comment
		Accreditation of Staff	Anti Fraud Manual	FIRST Database	Self-Review Toolkit	NHS Protect Standards	Counter Fraud Steering Group	LHB Audit Committees	Wales LCFS Forum	Wales Lead LCFS Forum	Quarterly Reporting to LHBs	NHS Protect SRT Reviews	NHS Protect Annual Review	Police	CPS	Welsh Govt.	Wales Fraud Forum	WAO	Internal Audit		
Failure to comply with PACE and other relevant legislation																					
Inconsistency of approach due to varying levels of resource																					

LCFS staff accountable to their own employing organisations























<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.4
<b>PREPARED BY</b>	Roxann Davies, Compliance Officer
<b>PRESENTED BY</b>	Andy Butler, Director of Finance and Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Governance Matters

## PURPOSE

The purpose of this paper is to provide the Audit Committee with a brief update on governance developments within NWSSP.

### 1. DEPARTURES FROM STANDING ORDERS

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 **9 July 2018 to 5 October 2018**. A summary of activity for the period is set out in **Appendix A**.

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

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

During the period **4 July 2018 to 1 October 2018**, activity against **45** contracts has been completed. This includes **18** contracts at the briefing stage and **18** contracts at the ratification stage. In addition to this activity, extensions have been actioned against **9** contracts. A summary of activity for the period is set out in **Appendix B**.

### **4. STORES WRITE OFFS**

The value of stores, at **30 September 2018**, amounted to **£2,961,455**. For **July – September 2018**, a stock write off of **£1,853.11** has been actioned for out of date stock. This equates to **0.06%** of the total stock holding value in **September**.

<b>Stock Type</b>	<b>Bridgend Stores £</b>	<b>Denbigh Stores £</b>	<b>Cwmbran Stores £</b>
Stock Value	1,535,538	778,654	647,263
Out of Date Stock	313.93	842.27	696.91
<b>Total</b>	<b>0.02%</b>	<b>0.11%</b>	<b>0.11%</b>

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. A summary of activity for the period is set out in **Appendix C**.

### **5. GIFTS, HOSPITALITY & SPONSORSHIP**

There have been **0** declarations made relating to gifts, hospitality and/or sponsorship, since the last Audit Committee meeting.

### **6. WELSH GOVERNMENT QUARTERLY UPDATE**

On a quarterly basis, we issue a letter to Dr Andrew Goodall at Welsh Government to confirm any Audit Reports which have achieved limited or no assurance. For Quarter 2 of 2018-19, we submitted a nil return.

### **7. RECOMMENDATIONS**

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

## APPENDIX A - NWSSP Contracting Activity Undertaken (09/07/2018 – 05/10/2018)

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
VEL	NWSSP-Finance Academy	NWSSP-FN-002	18/06/2018	File Note	CIPFA Professional Training – Finance Graduate Scheme Cohorts 1-3	CIPFA	£108,000.00	Compatibility with existing service	Endorsed – to cover interim period until All Wales agreement implemented	Formal Procurement to be undertaken
VEL	NWSSP-Corporate & Finance	NWSSP-SQA-399	09/07/2018	Single Quotation Action	Refurbishment & Electrical works to meeting rooms	Anwyl Construction Ltd	£15,906.76	Technical Compatibility of existing works programme	Endorsed – addition to existing service	No action required
VEL	NWSSP-WEDS	NWSSP-SQA-404	13/07/2018	Single Quotation Action	Additional Hire due to NHS 70 <sup>th</sup> Birthday of Skills Cymru Stand Space at Motopoint Arena and Venue Cymru	Prospects Ltd	£18,540.00	Compatibility with existing service	Endorsed – Sole Organiser to provide this service	No action required
VEL	NWSSP-IT	NWSSP-STA-410	25/07/2018	Single Quotation Action	Service to publicly accessible internet connection at all major NWSSP sites	Sky Business (trading as The Cloud Networks Ltd)	£23,672.00	Upgrade to an existing Service	Endorsed – based on cost of change and compatibility with existing system	No action required
VEL	NWSSP – Accounts Payable	NWSSP-RFQ-36731	01/08/2018	Invitation to Tender	Automated Email Handling to meet the needs of NHS Wales	Parker Software	£41,280.00	Open tender invitation, based on M.E.A.T.	Compliant – 13 suppliers viewed the opportunity, 2 responses received	No action required



## APPENDIX B - All Wales Contracting Activity In Progress (04/07/2018 – 01/10/2018)

No.	Contract Title	Doc Type	Total Value	MR approval <£750K	WG approval >£500k	NF approval £750-£1M	Chair Approval £1M+
1.	<b>ECG Electrodes, Defib Pads and Associated Consumables</b> - contract covers the requirements for Electrodes ECG (Adults/Infants/PAEDS/Neonatal), Defibrillation Pads (Adults/Infants) and Associated Consumables to include ultrasound gel, abdominal belts, ECG cables and clips, skin preparation and Cable securing accessories.	briefing	£3,202,255	09/07/2018	01/08/2018	n/a	n/a
2.	<b>Ophthalmic surgery consumables</b> - consists of among the most complex interventional procedures that are carried out within NHS Hospitals. As the eye is an extremely fragile organ, it requires extreme care before, during and after any surgical procedures. The most common forms of Ophthalmic Surgery include Cataract Surgery, Glaucoma Surgery and Vitreo-Retinal Surgery.	briefing	£21,000,000	10/07/2018	09/08/2018	n/a	n/a
3.	<b>BCU - Spire RTT Outsourcing</b> - Betsi Cadwaladr University Health Board (HB) are seeking authorisation to enter into contract with two private healthcare providers, Spire Murrayfield Hospital on Wirral, and Spire Yale Hospital, Wrexham, in order to deliver outsourced RTT work on behalf of the HB.	briefing	£2,300,000	NC 25/07/2018	26/07/2018	trust governance applies	trust governance applies
4.	<b>Bread &amp; Morning Goods</b> - The current All Wales agreement consists of two lots; Bread & Rolls and Morning Goods. Both the All Wales Contract and Purchasing Agreements provide direct deliveries to named Health Board/Trust sites across Wales.	briefing	£1,016,527	GD 26/7/18	N/A as NPS framework	n/a	n/a
5.	<b>HCS Fleet renewal</b> - This Briefing Paper provides an overview of the proposed route to market for NWSSP Health Courier Service Motor Fleet Renewal for the 2018-19 year and the current contractual arrangements, their performance and the lessons learnt from the 16-17 renewal. This includes a focus on Whole Life Costs against the background of an inflationary and increasingly regulated market.	briefing	£1,066,000	06/07/2018	15/08/2018	n/a	n/a
6.	<b>Computer Consumables</b> - As part of the agreement the current supplier (UK Laser Supplies Ltd) provides a free of charge maintenance and repair service to the Health Boards/Trusts to fix broken printing devices. This is through the provision of a free call out and labour contract for all Health Boards/Trusts purchasing the supplier's consumables with the only chargeable items being any parts needed to facilitate a repair. Where the problem is found to be as a result of a faulty cartridge this will be repaired totally free of charge.	briefing	£2,414,612	10/08/2018	N/A as NPS framework	n/a	n/a
7.	<b>Hand Hygiene products</b> - contract for Alcohol Hand Rubs (Foam & Gel), a range of hand held, standalone bottles and dispensers.	briefing	£1,094,373	03/08/2018	09/08/2018	n/a	n/a
8.	<b>Diploma in planning for NHS Wales</b> - Work to address the strength of planning skills has been developing since 2014, with liaison between NHS Wales planning community and the Welsh Government. This work has evolved into the establishment of a Planning Academy. The next stage in the development of planning skills will be the implementation of a formal planning qualification via a postgraduate diploma in planning	briefing	£875,000	07/08/2018	N/A	n/a	n/a

9.	<b>Motor Fleet Insurance</b> - The procurement process for Abertawe Bro Morgannwg University Health Board, Cwm Taf University Health Board, Public Health Wales, Powys Teaching Health Board and Velindre NHS Trust has previously been managed by the Non-Medical Utilities and Transport team in conjunction with the relevant fleet managers and the NWSSP Lease Car Team. The procurement process for Health Courier Service and WAST has previously been managed by WAST staff and are currently entwined on the same policy. This is paid for by WAST and the HCS portion is financially allocated post award.	briefing	£1,259,268	23/08/2018	14/09/2018	n/a	n/a
10.	<b>Absorbents</b> - The Absorbents contract encompasses three main categories of surgical swabs, X-Ray detectable, Non-Woven and Gauze. Also included are dressing pads and a range of low value cotton wool products. Although simple in nature, these products are essential to patient care so the contract must account for high-quality products to mitigate any risks to patients.	briefing	£910,850	13/08/2018	N/A UNDER £1M	N/A	N/A
11.	<b>AB - Pathology CD</b> - ABUHB has recently undertaken a restricted tender process for a Managed Service contract within the Pathology Services Directorate, which runs until May 2021. The current contract services the following discipline's core areas: Biochemistry, Histopath & Microbiology (Serology). This procurement will establish a Pathology contract also incorporating Biochemistry.	briefing	£30,000,000	15/08/2018	14/09/2018	n/a	n/a
12.	<b>Standard and custom procedure packs</b> - Custom Procedure Packs are bundled medical disposables that are available in sterile packages. Typically, these disposable packs include drapes, gowns, swabs, polyware, blades, sutures, syringes and other products associated with clinical procedures. A Custom Procedure Pack usually contains 90% of the single-use items needed to perform a particular procedure.	briefing	£19,200,000	15/08/2018	03/09/2018	n/a	n/a
13.	<b>Adalimumab</b> - is a Tumour Necrosis Factor Alpha (TNF $\alpha$ ) Inhibitor; it is an anti-inflammatory and approved for the treatment of moderate to severe rheumatoid arthritis, active and progressive psoriatic arthritis, severe active ankylosing spondylitis, Crohn's disease, ulcerative colitis, hidradenitis suppurativa and uveitis.	briefing	£27,777,615	28/08/2018	10/09/2018	n/a	n/a
14.	<b>Chest and wound drainage</b> - includes a wide range of both Chest and Wound Drainage products. A chest drain is a conduit to remove air, blood, pus or fluid from the pleural/thoracic cavity, which facilitates the re-expansion of the lung to restore normal breathing dynamics.	briefing	£2,162,496	14/09/2018	sent to WG 14/9		
15.	<b>NPS Fruit &amp; Veg lot6</b> - Potatoes, Lettuce, Tomatoes and Cucumbers.	briefing	£1,856,693	20/09/2018	N/A NPS CONTRACT	n/a	n/a
16.	<b>NWIS - AW Catering information system</b> - Deliver an existing, market ready, on premise (locally) catering software solution, which is capable of being deployed (subject to Health Board configuration requirements) following implementation period	briefing	£1,259,999	20/09/2018	sent to WG 20/9	n/a	n/a
17.	<b>Wheelchair reconditioning</b> - This contract is to provide a Wheelchair Reconditioning Service to the Artificial Limb and Appliance Service in South Wales, which is hosted by Cardiff and Vale University Health Board. Funding for the service is provided through the Welsh Health Specialised Services Committee (WHSSC).	briefing	£993,504	26/09/2018	n/a	n/a	n/a
18.	<b>Natural Gas</b> - The contract is for the supply of natural gas for all NHS Wales premises encompassing both the Large Sites and Small Sites portfolios, split by site consumption of above/below 25,000 therms per annum.	briefing	£135,594,780	28/09/2018	sent to WG 28/9		
19.	<b>Natural Gas</b> - The current contract is split into the Large and Small sites portfolios awarded to a sole supplier, British Gas.	extension	£89,309,903	12/07/2018	original approval applies 08/05/2013	16/07/2018	18/07/2018

20.	<b>Electricity</b> - The Supply of Electricity contract has an approximate value of £19,130,030 per annum. Figures are approximate as it is difficult to provide an exact cost due to variation in estimated verses actual usage, non-commodity cost changes and carbon reduction commitments / climate change levy charges.	extension	£119,124,714	12/07/2018	original approval applies 26/02/2014	16/07/2018	18/07/2018
21.	<b>Clinical waste &amp; hospital refuse bags</b> - Lot 6 on the above framework NPS-PSU-0049-15 provides for the Supply of Low Density Polythene Aprons to all Health Boards and Trusts. Aprons are held in Bridgend, Denbigh and Cwmbran Stores. They are also available to order via the direct delivery route.	extension	£2,822,978	31/07/2018	N/A as NPS framework	01/08/2018	07/08/2018
22.	<b>Haulage, Set Up and Maintenance</b> - facilitates the provision of maintenance services to WBS vehicles in North Wales. The scope of the contract was due to be incorporated into the upcoming All Wales contract for Haulage and Maintenance of Specialist Trailer and Support Vehicles.	extension	£1,700,630	06/08/2018	original approval applies	07/08/2018	22/08/2018
23.	<b>ABMU outsourcing FA</b> - Abertawe Bro Morgannwg University (ABMU) LHB had significant pressures in meeting Referral to Treatment (RTT) Waiting Times Targets across a number of specialties. The capacity shortfall was particularly pertinent to Orthopaedics, Ophthalmology, General Surgery and ENT where the greatest pressures are being experienced. In order to make improvements it was necessary to pursue an external solution	extension	£881,000	07/08/2018	original approval applies 25/1/16	07/08/2018	07/08/2018
24.	<b>Syringes and Needles</b> - The contract was tendered under the Single Tender Action (STA) route with a restricted process. This contract caters for Luer lock syringes as NHS Wales took a decision, with the support of Aseptic Pharmacists, to not participate in the lot of Luer lock devices on the IRA15956 agreement due to drug stability in long-term storage, and risks re-calibration of syringe pumps and the associated cost pressures. The Luer lock syringes items were incorporated into the AW15956 agreement to meet NHS Wales requirements and specification	extension	£1,334,745	22/08/2018	original approval applies 22/12/15	06/09/2018	06/09/2018
25.	<b>CAMHS low secure and acute non nhs hospital services</b> - The scope covered Low Secure (Male and Female) and Acute hospitals (Male & Female), caring for people with primary diagnosis of mental disorder or co-morbid mental health and learning disability disorders.	extension	£23,000,000	07/09/2018	original approval applies 24/3/15	11/09/2018	11/09/2018
26.	<b>Agency Nurses</b> - To contract for the supply of Agency Nursing Services to NHS hospitals in Wales	extension	£200,000,000	13/09/2018	original approval applies 14/3/17	18/09/2018	19/09/2018
27.	<b>Fuel Oil</b> - The contract is for the supply of gas oil, heavy fuel oil, Kerosene, and Ultra Low Sulphur Diesel to NHS sites across Wales that require oil for stand by generators.	extension	£5,434,434	sent to MR 27/6	original approval applies 19/10/15		
28.	<b>HDDA - Outsourced clinical/surgical service</b> - The contract will involve pre-assessment and the surgical procedures highlighted below and a degree of post-operative care. £500k (approx. 73 cases) of Knee & Hip joint Orthopaedic patients to be treated via BMI.	ratification	£500,000	10/07/2018	20/07/2018	trust governance applies	trust governance applies
29.	<b>Lymphoedema and compression</b> - This contract will cover a wide range of compression garments, such as stockings and arm sleeves, which are used for the treatment of various types of oedema. Categories include ready wear garments (upper limb, lower limb, head & neck, chest, genital), made to measure garments (upper limb and lower limb) and products for fitting the garments (body adhesive and donning aids). Products come in a range of fits, sizes, colours and compressions. These products are used by Lymphoedema services throughout Wales.	ratification	£4,839,334	12/07/2018	23/07/2018	01/08/2018	07/08/2018

30.	<b>NWIS - Point of care tools</b> - 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 e-library 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. The provision of point of care tools to apply knowledge at the point of need will improve clinical care and practise, improve consistency within practise, increase the distribution speed of new and effective practises and provide more up to date information to health care professionals.	ratification	£2,067,305	GD 18/7/18	24/07/2018	01/08/2018	07/08/2018
31.	<b>NWIS - Commercial advisor</b> - The commercial advisors are required to provide expertise in the following stages of the procurement process; business case and commercial model development, invitation to participate in dialogue phase, supporting the issue of the trial invitation to tender, and any ad-hoc support that is needed during the delivery of the service.	ratification	£625,000	GD 18/7/18	26/07/2018	01/08/2018	07/08/2018
32.	<b>AB - WIFI Hardware Replacement and Support Services / Maintenance.</b> - The contract covers all hardware purchases for these three sites. Services covered are project management, engineering support for configuration and post deployment survey.	ratification	£518,887	23/07/2018	09/08/2018	trust governance applies	trust governance applies
33.	<b>NWIS - eJournals P550.01</b> - 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 e-library 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. The provision of point of care tools to apply knowledge at the point of need will improve clinical care and practise, improve consistency within practise, increase the distribution speed of new and effective practises and provide more up to date information to health care professionals.	ratification	£ 3,734,398	NC 24/07/2018	06/08/2018	07/08/2018	22/08/2018
34.	<b>NWIS - eJournals P550.04</b> - 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 e-library 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. The provision of point of care tools to apply knowledge at the point of need will improve clinical care and practise, improve consistency within practise, increase the distribution speed of new and effective practises and provide more up to date information to health care professionals.	ratification	£647,545	01/08/2018	07/08/2018	N/A	N/A
35.	<b>Ambient Groceries (NPS Packaged Food &amp; Beverages)</b> - The current Ambient Groceries All Wales contract is an amalgamation of the previous Ambient Groceries contract which included stock lines such as Cereals, Rice, Pasta, Stocks, Cooking Oil and Desserts, and several other smaller All Wales and ex-national agreements. There are ten companies servicing the contract, and there are over 290 product lines in total.	ratification	£955,512	03/08/2018	N/A as NPS framework	13/08/2018	n/a
36.	<b>HDDA - Carpark enforcement</b> - Provision of Car Park Enforcement Services	ratification	£882,747	10/08/2018	15/08/2018	trust governance applies	trust governance applies
37.	<b>Maint of CT Scanners &amp; Consumables</b> - Renewal of the maintenance agreement originally established in conjunction with the capital purchase of the CT scanners in 2011.	ratification	£883,518	15/08/2018	14/09/2018	18/09/2018	n/a

38.	<b>Vascular Access Devices</b> - The contract allows the users to purchase safety engineered vascular access cannulas and IV needles through a compliant All Wales contract	ratification	£3,416,391	15/08/2018	03/09/2018	06/09/2018	06/09/2018
39.	<b>HDDA - Personal Dental Services</b> - The service will provide general (mandatory) NHS dental services to all patient demographics where appropriate. This particular exercise is pertaining to the Narberth area solely.	ratification	£700,500	24/08/2018	14/09/2018	trust gov applies	trust gov applies
40.	<b>CVU - Water Safety Control Measures</b> - C&V UHB requires a contract to cover all aspects of water management controlled through one supplier to ease the management process, ensure a consistent approach and improve value for money through economy of scale. Legionella is a bacteria (legionella pneumophila) which causes legionnaires disease, it cultivates in air conditioning and central heating systems. Legionnaire's disease is a potentially fatal form of pneumonia and everyone is susceptible to infection. Any water system that has the right environmental conditions could potentially be a source for Legionella bacteria growth.	ratification	£1,199,108	07/09/2018	18/09/2018	trust gov applies	trust gov applies
41.	<b>NPS Fresh Foods &amp; Beverages Framework Lot 12 Fresh Dairy Products &amp; Eggs</b> - fresh Milk, Butter & Cheese, Yoghurts and Eggs.	ratification	£1,170,048	11/09/2018	N/A NPS CONTRACT	11/09/2018	11/09/2018
42.	<b>NPS Fresh Foods &amp; Beverages Framework Lot 14 Chilled Ready To Eat Foods</b> - Margarine & Cream	ratification	£368,376	11/09/2018	N/A NPS CONTRACT	n/a	n/a
43.	<b>NPS Fresh Foods &amp; Beverages Framework Lot 11 Fresh Milk</b> - The contract was lotted by Health Board and Trust to support the SME agenda. With the exception of Powys Health Board (who utilise their own local authority contract for milk), all other Health Boards and Trusts currently participate in this contract.	ratification	£1,992,150	11/09/2018	N/A NPS CONTRACT	12/09/2018	19/09/2018
44.	<b>AB - Outsourcing Ophthalmology Services for AB</b> - To procure and commission additional Surgical Capacity to relieve pressure on waiting lists within Aneurin Bevan LHB for Ophthalmology procedures	ratification	£820,000	19/09/2018	N/A framework already signed off	trust gov applies	trust gov applies
45.	<b>Urine Meters</b> - Items are a requirement to measure patients urine output	ratification	£701,600	20/09/2018	sent to WG 20/9		n/a

## APPENDIX C - Stores Write Offs (July - September 2018)

Bridgend Stores			
Item	Description	Value	Date
AMN500	*PEPPER PORTIONS GROUND WHITE	13.5	09/09/18
ABT526	BABY MILK INFANT LOW BIRTH WEIGHT RTF NUTRIPREM 70ML (CASE 24)	50.03	16/08/18
ALU256	JELLY CRYSTALS ORANGE SWEETENED 3.5KG	177.92	07/08/18
ANC827	*** DISCONTINUED BY SUPPLIER *** SAUCE CONDIMENT HORSERADISH INDIVIDUAL POTIONS (BOX 198)	72.48	05/07/18
<b>Total</b>		<b>313.93</b>	

Denbigh Stores			
Item	Description	Value	Date
ACD241	*** DISCONTINUED NOT REQUIRED *** COFFEE INSTANT FREEZE DRIED 750g	353.33	11/09/18
FGQ835	*SIGMOIDOSCOPE SINGLE USE WELCH ALLEN : 53130L	488.94	22/08/18
<b>Total</b>		<b>842.27</b>	

Cwmbran Stores			
Item	Description	Value	Date
ANH210	SALAD CREAM 285g / 10oz	11.83	25/08/18
AHG475	APRICOT HALVES IN NATURAL JUICE 822g	21.60	02/08/18
ADB165	BISCUITS CREAM CRACKERS (TWO BISCUIT PACK) (CASE 2 x 168)	15.16	31/07/18
ABT0526	BABY MILK PREPARED FEED C&G RTF NUTRIPREM 1 14IB LOW BIRTHWEIGHT (CASE 24)	648.32	25/07/18
<b>Total</b>		<b>696.91</b>	



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.5
<b>PREPARED BY</b>	Graham Davies, Procurement Services
<b>PRESENTED BY</b>	Andy Butler, Director of Finance and Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	How Procurement Services minimises obsolete warehouse stock

## **PURPOSE**

We are often asked what we do in Procurement Services to minimise the amount of obsolete stock held in our Warehouses, to avoid "writing off" and disposing of these items. This paper gives an overview of the processes we follow to minimise these write offs.

### **1. What we have previously tried to do with obsolete stock**

Give items to Charities: Some time ago, many obsolete or out of date products could be donated to Medical Charities, who would sort through items and use what they can.

Over time, the number of organisations willing to accept out of date items has reduced to the point where nowadays, many Medical Charities who take Medical Supplies to 3<sup>rd</sup> World Countries insist on products having 12 months expiry date left. Due to experiences and incidents over the years, it has become the norm to insist on Medical Supplies destined for 3<sup>rd</sup> World Countries meeting the same standards and requirements of products being used in the rest of the World – which is understandable from a clinical governance point of view. As scrutiny, legislation, appetite to legally challenge and publicity around adverse consequences has increased, it has become increasingly risky to pass on any obsolete products to a third party. The World Health Organisation guidelines for donation of Medical Equipment, which can be equally interpreted for Medical Consumables, have rigorous standards which reflect the above statements.

On a number of occasions, we have looked at the possibility of donating obsolete food items to charities. Again, this was acceptable practice many years ago, however, increased litigation and governance around the food industry has made this a risky strategy. For instance, if there is a product recall on a particular item, and we have donated that product to a charity due to lack of / change of usage within NHS Wales, then we may be liable to track and recall that product. The potential risk to reputational harm of the organisation by something going wrong has been deemed to outweigh the idea of donating such items to charities. The values involved are minimal so the risk would be disproportionately high.

Send products to Auction: In the past we could send some products to Auction if there was a large enough quantity. Again, this practice ceased some years ago as legislation became tighter and liabilities for adverse consequences became tested more. Generally, we will now only send medical equipment for auction, rather than medical consumables or food.

## **2. Current Governance**

We have continuously looked at ways of improving controls over stock held and over time have refined the NWSSP Stock losses protocol, which has previously been ratified by the Committee. Processes in place to minimise obsolete stock include the following:

- Regular stock taking
- Random stock taking
- Improved reporting, such as the "Stock Movement Report", which identify non-moving and slow moving stock
- Process analysis to identify areas where improved practices will reduce wastage
- Dialogue with customers when stock issues slow down to establish reasons for reduced usage, or plans to use before swapping to different product line
- Regular liaison with other Departments within NWSSP Procurement (i.e.: Frontline Procurement Teams / Central Sourcing teams) to ensure as much stock as possible is used before new product lines are introduced

## **3. Current situation**

Further to the continued improvements highlighted above, the amount of Warehouse stock written off has considerably reduced over the past few years. Whilst no waste is entirely acceptable, the amount being written off last year was a fraction of the total value of stock that flows in and out of our three Warehouses each year, and the amount of "in date" stock being written off is a smaller part again of that total.

Additional routines checks are always carried out before we write off any "in date" stock, and these include:

- Managing implementation of new contract lines to ensure negligible / nil old stock remaining
- Contacting customers who have previously used the items, to ascertain whether they can use up remaining stock
- Contacting customers who have previously not used the items, to ascertain whether they can consider using up remaining stock
- Contacting suppliers to see if they will take stock back, even at a reduced price

#### **4. Conclusion**

The current protocols and practices around the management of stock are designed to provide robust governance, and to minimise any wastage. The amount of stock written off is negligible when considered against the total annual value of stock received and stock issued. The risks involved with sending items to charity have been looked at, and it has been established that those risks are too high when compared against the value of stock involved.

#### **5. Recommendation**

The Committee is asked to:

- **NOTE** the report



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.4
<b>PREPARED BY</b>	Jayne Dando, Head of Workforce Strategy and Planning
<b>PRESENTED BY</b>	Andy Butler, Director of Finance and Corporate Services
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Workforce Education & Development Services (WEDS) Legacy Report

**PURPOSE**

To provide the Committee with assurances relating to the transfer of responsibilities from Workforce Education & Development Services (WEDS) to Health Education Improvement Wales (HEIW), from 1 October 2018.

## **NHS Wales Shared Services Partnership Legacy Report**

### **1. Purpose**

The purpose of this report is to provide a legacy statement for the transfer of NHS Wales Shared Services Partnership, Workforce Education & Development Services, (NWSSP, WEDS) to Health Education and Improvement Wales (HEIW).

The report covers the key elements of WEDS functions including education commissioning and contracting, the delivery of the NWSSP, WEDS Work Programme for 2018/19 and staff issues. The report highlights key work delivered in the first part of the year and highlights any potential risks for HEIW.

### **2. Introduction**

Workforce, Education and Development Service is one of a wide range of functions currently delivered by the NHS Wales Shared Services Partnership. WEDS will transfer to Health Education and Improvement Wales on 1st October 2018.

NWSSP, WEDS manages the Health Professional Education and Training budget of £107m (2018/19) on behalf of the Welsh Government which demonstrates the significant investment the Welsh Government makes in the current and future workforce.

The core functions delivered by WEDS are:

- Workforce Planning (including horizon scanning)
- Workforce Intelligence/informatics (including pay modelling)
- Workforce transformation and redesign
- Education development, commissioning and contracting
- Careers service

WEDS delivers an annual Work Programme agreed by stakeholders (overseen by the WEDS Advisory Group) with a programme budget of £370,604.

### **3. Overall Financial Position**

The financial position for the transfer including, the education commissioning budget, staff budget and work programme budget is detailed in a separate report. The financial position for this budget within NWSSP, up until the end of September 2018 will be balanced. A revised year-end forecast is currently being updated and this will reflect a year-end underspend position. The budget was effectively set in July 2017 when NWSSP presented a range of fully costed commissioning options to the Strategic Education and Development Group (SEDG) chaired by the Welsh Government. The student commissions contained within those options are commencing education during September 2018.

As the new students are starting this month more student information is becoming available. However students have until the end of November to decide whether they are opting for a funded place (and thus the two year tie-in to work in Wales on graduation within the profession they trained) or whether to self-finance their study (via the traditional HEI funding route (student loans etc.).

An updated forecast is being compiled, but at this stage an underspend against the £106.9m budget of approximately £400k-£500k is expected. This is approximately 0.4% of the total budget and has occurred due to a number of factors including,

- A marginal rise in student attrition leading to fewer students in the system than budgeted
- A change in the HEI student funding model as a result of the implementation of recommendations following the Diamond Review has meant more students than initially anticipated have opted to self-fund
- On a few courses Universities are struggling to meet their commissioning targets for September 2018
- One or two new initiatives will be starting later than initially planned (for example the North Wales Masters in physiotherapy will start in January 2019 not September 2018)

An underspend is expected and planned for at this time of year each year and this provides HEIW the opportunity to address Service needs and priorities in its first six months. Any agreements surrounding the use of underspends has been traditionally agreed with the Welsh Government.

On the transfer of this Service from NLIAH (hosted by ABMU) to NWSSP (hosted by Velindre) a document was produced outlining the processes and procedures in place to provide assurances to the Velindre Board. This document will be made available to the HEIW finance staff and a decision can be made within HEIW whether there's value in updating this or whether the SFIs cover all aspects of the work.

In 2018 the financial management and contracting arrangements surrounding this area have been subject to an internal audit. This was deliberately built into the audit work plan as an extra piece of assurance on transfer to HEIW.

The report received substantial assurance, which is the highest rating. The definition is below.

**“Substantial Assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.”

#### 4. Education Commissioning & Contracting

##### 4.1 Planning & Commissioning Cycle

NWSSP, WEDS has in place an established annual cycle for education commissioning which is outlined in the following table.

**Table 1: WEDS Annual Commissioning Cycle (summary)**

Action	Timeline
Review of IMTPs and collate education commissioning numbers	January - March
Agree medical specialties for review with ASMWG	November
Undertake internal modelling, sense checking, intelligence gathering to inform plan	March - June
Sign off medical workforce recommendations at ASMWG	May
Engagement with key stakeholders including peer groups and trade unions.	June
Submission to Chief Executive Peer Group	July
Submission to National Executive Board	July
Submission to Strategic Education & Development Group	July
Inform HEIs required student training numbers for following year agreed by the Cabinet Secretary	Dec/January
Contract meetings with HEI providers to ensure delivery	Ongoing throughout year

At the time of transfer, NWSSP, WEDS has undertaken all relevant activities up to and including the development of the NHS Wales Education Commissioning and Training Plan for 2019/20 which has been submitted to Chief Executives Peer Group, National Executive Board, and the Strategic Education & Development Group. At the request of Welsh Government, for the first time, the plan combined the medical and non-medical education commissioning recommendations.

Additional narrative has subsequently been provided to CEOs as requested at their meeting and noted by the National Executive Board.

There will be significant challenges in relation to maximising efficiencies in terms of the education budget as the increase in student numbers in 2015/16, 2016/17 and 2017/18 will be fully realised in the budget requirements for 2018/19 and this will require scrutiny and careful management.

## 4.2 Education Contracts

Contracts are in place with the following universities:

- Bangor University
- Cardiff Metropolitan University
- Cardiff University
- Glyndwr University
- Swansea University
- University of South Wales

Contracts were in place from August 2013 until July 2018. A Voluntary Ex Ante Transparency Notice (VEAT) was placed and the contracts have been extended up to July 2021. A detailed advice note was produced by WEDS to support this action and legal advice was provided by the NWSSP Legal Services team.

The confirmation of this action was formally signed off via the relevant governance processes within both NWSSP and Velindre NHS Trust. Formal extension of contract letters have been issued to the provider universities to confirm this action. A risk of challenge to this action was flagged as part of the provision of advice but this has not materialised (a ten day window of opportunity for challenge was given).

Whilst the education commissioning contracts have been extended as outlined above, the risk is that for work to be undertaken to secure the ongoing provision of education, work must commence within the next 6-9 months.

## 4.3 Education Commissioning Key Performance Indicators

The table below highlights Welsh performance when compared to England. Based on the numbers in the system in Wales and the Welsh attrition rates it is possible to determine the likely number of graduates from the Welsh system. For example, based on the 2017/18 academic year figures, the expected graduates in Wales are:

**Table 2: Expected Wales Graduates**

Welsh Performance	Numbers in Contracts	Average Attrition	Expected Graduates
Nursing	3,993	10.5%	3,573
Midwifery	307	7.8%	283
AHP's	1,377	8.8%	1,255

The Welsh and English systems have historically been different, in the way Universities were paid etc. although there has always been some commonality surrounding the bursary scheme. The systems have diversified further following England's decision to abolish the

bursary scheme from September 2017. This has made it difficult to benchmark effectively. A model has been devised to address this.

The fundamental principle is to review the output (graduates) that Wales derives from its system and by looking at the input (commissions) and undertaking a full economic costing exercise the total cost of producing the number of graduates can be derived.

This is evaluated against England by ascertaining, based on their published attrition rates, the number of commissions they would need in order to produce the same number of graduates as Wales. By then applying the English benchmark prices for contracts, the payment mechanism that drives this and the associated student costs a full cost can be determined for England.<sup>1</sup>

**Table 3:**

**COMPARING OUTPUTS AND ASSOCIATED COSTS IN WALES AND ENGLAND**

*Based on 2017/18 academic year figures.*

	Welsh Training Numbers 2017/18 Academic Year		Average Attrition Rates		Commissions required in England to produce same output as Wales			Cost savings comparing Wales to England to achieve Welsh outputs (£'000)		
	Total in Training	Expected Output	Wales	Eng.	Number of Comms.	more / (less)	% more / (less)	Contract £'000	Bursary & other allowances £'000	Total savings per annum £'000
<b>Nursing</b>	3,993	3,573	10.5%	20.0%	4,468	475	11.9%	(6,511)	(2,138)	(8,648)
<b>Midwifery</b>	307	283	7.8%	21%	359	52	16.9%	(945)	(237)	(1,182)
<b>AHPs:</b>										
Physiotherapy	374	354			407					
OT	299	279			321					
Radiography	327	283			326					
ODP	111	97			112					
S&LT	102	87			100					
HN	111	105			121					
Podiatry	53	50			58					
	1,377	1,255	8.8%	13.0%	1,445	68	4.9%	(1,928)	(174)	(2,102)
<b>SAVINGS PER ANNUM IN WALES</b>								(9,384)	(2,548)	(11,932)
Add tariff (England only)								(20,312)		(20,312)
less f4p only paid in Wales								2,791		2,791
<b>SAVINGS INCL. TARIFF / F4P</b>	5,677	5,111	10.0%	17.6%	6,272	595	10.5%	(26,904)	(2,548)	(29,453)

notes:

- AHPs taken as a group as England issues an attrition rate covering all AHPs and it's not analysed by profession
- No figures available for other WEDS commissioning groups so these have been excluded from this exercise  
These include: Clinical Scientists, Paramedics, Psychologists, Community Nurses, Pharmacists, Dental Therapists
- Assumes attrition occurs evenly throughout the year
- Assumes average bursary cost is the same in Wales and England

<sup>1</sup> The comparison is based on the English 2016/17 benchmark contract prices uplifted for inflation (2%) as this was the final year of the bursary scheme in England in terms of commissioning. A new model will need to be developed in future to compare the two countries.

The table below summarises this for the 2017/18 academic year. In summary the table shows England would need to commission 595 more students than Wales equating to 10.5% more. In terms of contract fees England would pay £9.4m more than Wales and an additional £2.5m in student support costs. This is an annual additional cost of **£11.9m**.

If the English placement tariff and the Welsh fitness for practice funding elements are included in the model then the additional cost England would need to pay to generate the same outputs as Wales is **£29.4m** per annum.

This represents excellent value for money generated from the Welsh system.

A full Performance Annual Review relating to the 2017/18 academic year is currently being produced. This will be finalised by the end of September 2018. However, extracts of the report are attached at **Appendix 1**.

The extracts include detail surrounding the application rates and attrition rates, both benchmarked against England.

A number of key performance indicators have been developed which have been monitored quarterly by NWSSP in performance meetings between NWSSP Executive Team and senior officers of WEDS. The key performance indicators for education commissioning are shown in Table 2 below.

**Table 4: WEDS Key Performance Indicators Education Commissioning**

KPI	Description	Target	August 2018
1.	For the Education and Training plan (HPEAT) to change by less than 5% (financial value and/or overall number of students) following consideration by SEDG and Welsh Government	Less than 5% change	0%
2.	HPEAT to be delivered within budget	100%	100%
3.	For VFM to be demonstrated for key cost areas within the Wales HPEAT commissioned staff groups when benchmarked to comparators across the UK	5% difference	5% difference
4.	Through active promotion increase nursing return to practice numbers by 15% on 2014/15	15%	
5.	For minimum 90% uptake on community nursing modules	90%	86.4%
6.	For 95% of all undergraduate commissioned places to be taken up	95%	95.6%
7.	HCSW budget – 100% Receipt of delivery and implementation plans	100%	100%
8.	Student attrition targets are achieved i. Nursing ii. All others	<12% <10%	10.5% 8.5%
9.	Student finance assessments completed, 6 weeks from commencement of programme (NWSSP measure)	100%	99.9%

## 5. Work Programme 2018/19

### 5.1 WEDS Advisory Group

To ensure effective collaborative working arrangements NWSSP established the multi-stakeholder WEDS Advisory Group which has membership from NHS organisations, Welsh Governments and NWSSP. The annual WEDS Work Programme is overseen by the Advisory Group and covers the key functions of WEDS of Workforce Planning, Education, Workforce Transformation, Workforce Analytics, Careers and Communication. The aim of WEDS has been to provide a high quality service to stakeholders delivered through an agreed work programme which is developed with input from NHS Wales Executive Peer Groups including WODDs, Nurse Directors and Directors of Therapies and Health Science. The Work Programme is supported by a programme budget of £307,604 which has been reviewed and is on track.

The group is due to meet on 18th September and will be asked to formally sign off the WEDS Work Programme progress report which is attached as Appendix 2.

### 5.2 Work Programme Delivery

A review of key areas of Welsh Government policy and priorities for NHS Wales's organisations undertaken by WEDS identified the following:

- The development of **population based workforce planning** which will complement and fit within the IMTP process and inform the development of the 10-year workforce plan for NHS Wales.
- **Develop and commission education** at all levels, (support worker, undergraduate and post graduate/CPD) which reflect the future needs of the health sector in Wales. This will include ensuring value for money and the development of new approaches to education provision in response to service needs, resources and changing education structures in Wales.
- Facilitate **workforce transformation** and redesign to support the delivery of a prudent workforce.
- **Development of workforce analytics and modelling** capacity for NHS Wales which supports strategic development of the workforce and in particular the 10 Year Workforce Strategy and Primary Care workforce plan
- Support the **efficient and effective use of resources**, this includes managing the WEDS budget for 2018/19; modelling pay strategies and supporting work to maximise efficiency
- Support the **Integration of health and social care workforce** through the development of joint planning, joint education and joint roles.
- Provide a range of resources and support to Health Boards and Welsh Government to develop the **primary care workforce**
- Manage **national careers strategies** to ensure careers in Wales are considered a positive first choice for the healthcare workforce

There were a number of significant opportunities and challenges facing NWSSP (WEDS) in 2018/19, these included:

- Establishment of Health Education and Improvement Wales (HEIW)

- Parliamentary Review of health and development of the 10 year workforce plan for Wales and its implementation
- Announcement to be made by Welsh Government on future funding of health professional education.

It was recognised that the establishment of HEIW half way through the financial year was likely to have a significant impact on the WEDS work programme in 2018/19. It was therefore considered to be important to recognise that the work programme would need to be reviewed regularly during the year with key stakeholders and amendments made to reflect the demands on time given to the HEIW programme. WEDS has quarterly reviews with the NWSSP Executive team to monitor performance including delivery of the Work Programme.

The Work Programme is divided into 7 broad objectives and examples of key deliverables to date this year are:

- A compendium of new models and roles for primary care  
<http://www.nwssp.wales.nhs.uk/compendium-of-emerging-roles-and-models->
- Development of Health & Wellbeing resources <http://www.nwssp.wales.nhs.uk/i-need-to-ensure-health-and-wellbeing-of>
- Submission of Education Commissioning Plan to CEOs, National Executive Board and Strategic Education & Development Group
- Response to WG consultation on Health Related Education & Training Programmes in Wales – Student Support arrangements completed.
- Bursary FAQs produced
- HCSW funding allocated to organisation and follow up meetings undertaken
- Production of pay modelling and analysis to support WG/NHS Employers AfC pay negotiations

In addition, new areas of work have been identified requiring input including Unscheduled Care, Out of Hours Services and Critical Care.

WEDS has two KPIs relating to the work programme and has an Evaluation Toolkit to support KPI 10. Areas for evaluation have been identified, for example, the compendium of new models and roles for primary care will be evaluated using survey monkey to illicit user satisfaction.

**Table 5: WEDs Key Performance Indicators – Work Programme**

KPI	Description	Target 2018/19	September 2018
10,	For 10 project areas seek feedback on completion of the work from stakeholders and achieve over 80% level of satisfaction	90%	Areas for evaluation identified
11,	Ensure 90% of identified projects are delivered on time	93%	Programme status at green

In summary, the Advisory Group will be asked to confirm that the overall status of the Work Programme is on track and “green” at the point of transfer.

### 5.3 Data Requests

Ongoing responsiveness to requests for data from Welsh Government and other stakeholders are monitored as KPI 12. Performance as at September 2018 is shown below.

**Table 6: WEDS Key Performance Indicator – Data Requests**

KPI	Description	Target 2018/19	September 2018
12.	KPI 12: Acknowledge WG/Service requests for workforce information within 48 hours (Monday – Friday) and agree individual timescale for each response.	95%	98%

## 6. Websites and electronic resources

### 6.1 Websites

NWSSP, WEDS has a range web pages covering all of its key functions which will transfer to HEIW. WEDS web pages are currently part of one internet website and one intranet site across the NHS Wales Shared Services Partnership (NWSSP). WEDS has played an active role in the NWSSP web authoring group in order to maintain the accuracy and quality of the content of the webpages for WEDS and NHS Wales Careers website. The WEDS and Careers web authors are involved in the following:

- Creating the content
- Ensuring that information is managed appropriately
- Ensuring the Welsh Language standards are met
- Managing and auditing the web content efficiently
- Taking ownership and responsibility
- Analysing website data to report key finding to the directorate.

The website is governed by a clear purpose statement “To provide NHS Wales with essential workforce information and resources to support the planning and development of the workforce” supported by a set of principles which identify actions to regularly promote and refresh content ensuring that it is accessible to all users. The WEDS web pages have been fully revised and updated including ensuring that all linked resources are relevant and that they are compliant with Welsh Language Standards.



The bespoke NHS Wales Careers website <http://www.weds.wales.nhs.uk/nhs-wales-careers/> is a separate site. The content has been updated and modified and the site is fully

compliant with the Welsh Language standards helping to improve the quality of information and creating a more effective online presence to attract people to work and live within NHS Wales.



Content of the site includes information about NHS Wales and NHS Career, information about broad groups of jobs, an A-Z of individual jobs, education and training options including return to practice, NHS bursaries and links to NHS Jobs in addition to contact points for further information.

## 6.2 Guidance & Resources

A range of resources will transfer to HEIW which have been developed by NWSSP, WEDS and have been made available to NHS Wales <http://www.nwssp.wales.nhs.uk/weds> including:

### Education

- Education commissioning process <http://www.nwssp.wales.nhs.uk/education-commis-and-contracting>
- HCSW skills and career framework <https://www.nhswalesdevelopinghealthcare.com/>

### Workforce transformation and planning

- Standards and Guidance for Role Redesign
- Competence Based Approach to Role Redesign
- Repository of Useful Things (interactive role redesign toolkit)
- Physician Associate Governance Framework
- Advanced Practice Framework and Portfolio
- Delegation Guidelines
- Good practice resources
- Effective Staff Engagement resources
- Developing and Embedding Organisational Values and Behaviours
- Workforce Planning Guidance and useful links
- Primary Care Workforce Planning Guidance <http://www.nwssp.wales.nhs.uk/workforce-transformation-planning-and>

### Staff Health & Wellbeing

- Resources produced in support of the WODDs work programme <http://www.nwssp.wales.nhs.uk/i-need-to-ensure-health-and-wellbeing-of>

### Welsh Health Student Forum

<http://www.nwssp.wales.nhs.uk/wales-health-student-forumm>

### 6.3 Workforce Data

A range of benchmarking tools have been developed and made available, together with supporting guidance documents, to NHS Wales via a share-point site. The tools have been updated monthly following data downloads to the ESR Data Warehouse and are as follows:

- Workforce Information Tool
- Skill Mix Analyser
- Age Profiling Tool
- Agency Tool
- Migration Tool
- Workforce Performance Dashboard <http://www.nwssp.wales.nhs.uk/workforce-information-tools>

The provision of a HEIW share point facility to host the tools is remains to be resolved. One of the options identified by the HEIW programme is for the NWSSP share-point to transfer to HEIW.

A range of “focus on” reports available for NHS Wales including age, sickness, and general workforce trends have been produced:

- NHS Workforce Trends 2017
  - Focus on the Age of the NHS Workforce
  - NHS Workforce Age Profile Infographic
  - Focus on Sickness Absence
  - Focus on GPs and their practice Workforce
- <http://www.nwssp.wales.nhs.uk/focus-on-reports>

## 7. Communication

WEDS has a written Communication Strategy developed in conjunction with the NHS Wales Shared Services Partnership (NWSSP) corporate Communications Strategy. The strategy identifies how WEDS undertakes communication that delivers and supports the three key NWSSP corporate communications aims of:

- Engaging and empowering staff in delivering a dedicated Shared Services organisation which meets best practice standards in service delivery, optimises economies of scale and focuses on excellent customer care.
- Promoting the ways NWSSP can enable and support NHS Wales in delivering more effective services and protecting the organisation from unnecessary reputational damage.
- Building good relationships between stakeholders, partners, services and key opinion-formers.

WEDS stakeholders are identified in the strategy document which recognises the need for WEDS to undertake a variety of communications methods to meet the needs and to ensure effective engagement with its diverse stakeholders and customers. Support for NWSSP, WEDS communication including web design, social media is currently provided by NWSSP Corporate Services.

WEDS undertakes regular communication with key stakeholders via attendance at meetings and the production of a monthly WEDS Update Report. All previous copies of the report are available electronically on the shared drive. A final report has been produced which highlights the formation of HEIW from 1<sup>st</sup> October 2018 and confirms contract details prior to the transfer of WEDS staff to Ty Dysgu.

## 8. Staff

All WEDS staff and WEDS finance staff identified for transfer have been managed by NWSSP in accordance with TUPE requirements including regular communication and engagement on all aspects of the transfer. Formal collective consultation meetings in respect of the 'measures' associated with the transfer have also taken place in partnership with relevant trade union representatives and supported by W&OD, NWSSP. In addition an exercise to cleanse all staff personal files prior to transfer to ensure that they are consistent with appropriate content has been completed in accordance with the General Data Protection Regulations.

All WEDS staff are managed using managers self-service on the Electronic Staff Record (ESR) including management of annual leave, performance appraisal, statutory & mandatory training and sickness absence. W&OD, NWSSP provide a quarterly Workforce Information Report for WEDS which covers sickness absence (long term and short term sickness, reasons for sickness absence, time taken to enter on ESR, return to work discussions), PADR compliance, Statutory & Mandatory training and Welsh Language compliance on ESR. The performance dashboard position at transfer for NWSSP, WEDS staff as recorded on ESR is as follows:

- Performance Appraisal – amber (anticipated to be green following completion of a small number of appraisals due during September).
- Statutory & Mandatory Training –green
- Sickness absence – amber. All current sickness absence is being dealt with in accordance with the Sickness & Absence Policy, Velindre NHS Trust.

**Figure 1 WEDS ESR Dashboard, 10 September 2018**



All WEDS staff will transfer with the exception of one senior team member whose employment will terminate on 30<sup>th</sup> September 2018 (voluntary resignation). The contracts of employment of staff will transfer from the employing organisation, Velindre NHS Trust to HEIW with effect from 1 October 2018. Support staff previously employed via the NWSSP bank have been appointed to fixed term posts and will therefore be included in the transfer in addition to one

post which is funded by Welsh Government. Staff have been consulted on the planned change of work base and subsequent variation to contract which will take effect post transfer.

Detailed schedules of transferring staff have been provided to HEIW Programme in accordance with the due diligence request and all relevant staff issued with TUPE transfer letters.

## **9. Welsh Language**

WEDS completed an Impact Assessment of the Welsh Language Standards (No.7) Regulations 2018, Operational Standards and Service Planning and Delivery. The impact assessments were submitted to the Welsh Language Officer, NWSSP and a meeting with WEDS, WCPPE and the Deanery was held to discuss the findings.

At a WEDS team meeting (all members), the Welsh Language Officer, NWSSP, delivered training on 16<sup>th</sup> July 2018 to raise awareness of the requirements of the Welsh Language Standards and facilitated a shared learning experience which included basic Welsh pronunciation, alphabet, numbers and how to pronounce simple sentences

All WEDS products are developed bilingually, this includes a fully bilingual internet site. The level of attainment of Welsh Language (reading, speaking and writing) for all WEDS staff is held on ESR.

## **10. Information Governance**

WEDS has a complete data log as part of the NWSSP Information Asset Register and has linked with the NWSSP Information Governance department to ensure compliance with GDPR. An information asset register is in place which includes identification of all personally identifiable / sensitive data sources, ensuring that data sources are held securely and appropriately. All staff have undertaken Information Governance e-learning as part of Statutory & Mandatory training. In addition key staff have attended a classroom based update on Information Governance and GDPR on 27<sup>th</sup> June 2018.

## **11. Equipment & IT**

There is no office furniture or individual staff IT equipment to transfer to HEIW. All electronic files and documents which currently form part of the WEDS shared folders will be transferred to HEIW in addition to relevant paper files and documents.

There a range of promotional items that have been purchased for careers events in addition to educational health related items which are used for engaging those attending events plus set up displays and 2 iPads which will transfer to HEIW. These resources are held in storage.

## **12. Business Continuity**

A business continuity assessment for WEDS has been undertaken as part of NWSSP's Business Continuity arrangements and has been provided to the HEIW programme. The impact matrix for WEDS is show below.

**Table 7: BIA Priority Impact Matrix, WEDS**

Workforce Education and Development Services	Priority for Restoring	Recovery Time Objective (RTO)	Impact Score	Comments / Assumptions
Education Commissioning	5	7 days	3	Extent of impact is dependent on timing in annual commissioning cycle and monthly payment routine. Although individual services are identified there are links between the services e.g. Commissioning dependent on Workforce Planning support. Support from Head of Finance is also essential for Commissioning.
Workforce Planning	7	28+	2	
Workforce Modernisation	7	28+	2	
Workforce Education	7	28+	2	

### 13. Risks

WEDS risks form part of the NWSSP Risk Register and have been actively managed. WEDS has also contributed to the risk register for the HEIW programme.

Copies of the WEDS Risk Register updated as at August 2018 and WEDS Assurance Map are embedded below.



### 14. Conclusion

NWSSP has actively supported the HEIW programme and the transfer of Workforce Education and Development services with effect from 1<sup>st</sup> October. The transfer to all elements of WEDS functions and services are in a positive position at the time of transfer.

Extracts from the NMET Performance Report 2017/18

Applications Summary

A major factor affecting applications to Universities is the population dip in 18 year olds. The graph below shows that births in the UK dropped significantly in the period 1999-2003. 18 year olds entering Health education in 2017 were born in 1999 and this was the start of the decline in birth rates with a reduction of 7% compared to 5 years earlier. This situation worsens in 2000 and 2001 before the rate starts to climb again.

Number of live births in UK 1990 - 2016 (data from Statista.com)

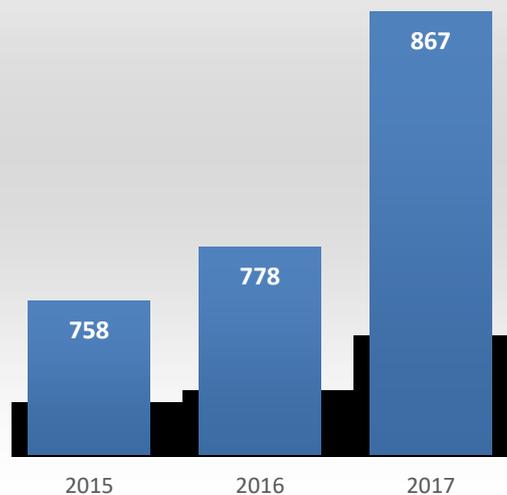


Whilst data surrounding the number of students, split by age range, is not currently collected the graph opposite identifies that the number of 18 to 21 year olds recruited onto Welsh Health courses is increasing.

18 to 21 year olds, comprise approximately 35% of all new students recruited in Wales and are therefore a vital component in the student demographic.

It is therefore pleasing, despite the “population dip” that these numbers are not decreasing in Wales.

Number of 18-21 year olds recruited onto Welsh Health Courses has **increased by 14% since 2015**



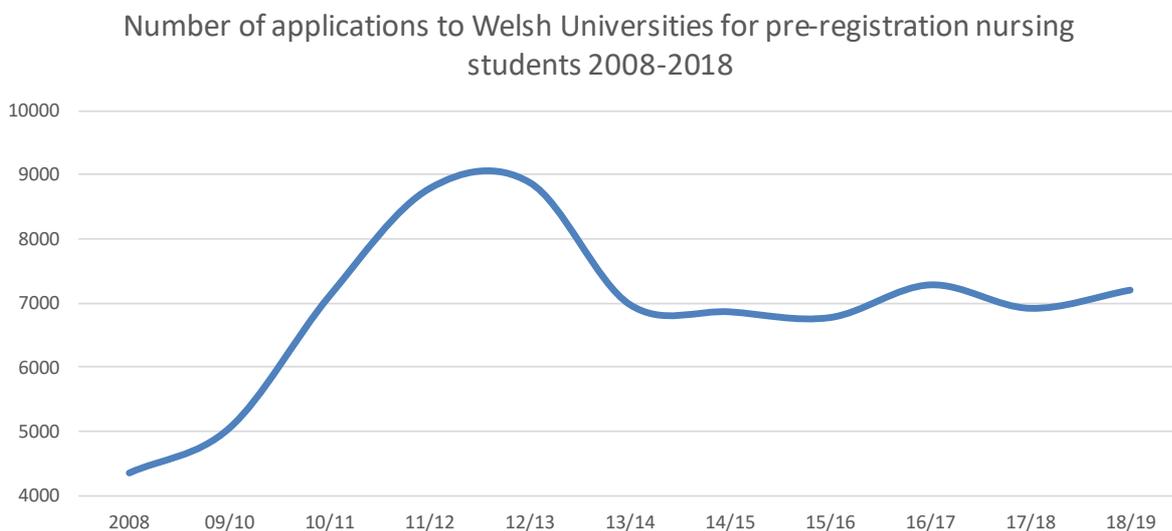
The birth dip at the turn of the millennium is a concern surrounding application rates as this will affect the Universities for the next 5 years. However, the biggest recent change for England, which has a far more significant impact for Health courses came with the announcement that England stopped the **NHS Bursary Scheme**. From September 2017 Health Education England no longer provided NHS Bursary's for health education programmes. This covers tuition fees and the bursary. As a consequence healthcare students in England now self-finance their education.

The University and Colleges Admissions Service (UCAS) revealed in August 2018 that the number of nursing degree applications in England has fallen by a further 12%. Numbers applying to begin training in September 2018 have dropped by 4,800 compared to the same time last year, resulting in a total decline of 16,580 since March 2016, the last commissioned intake.

The Welsh Government confirmed that students who commit to work in Wales for 2 years post-graduation will continue to have access to the Welsh NHS Bursary scheme. Students who do not commit to work in Wales will have access to the standard student support package. This has resulted in applications have, in most areas remained buoyant.

The graph below identifies that applications to Welsh health funded courses has remained constant over the last 3 academic years. Since the peak in applications in 2011-2013 there has been little change in the number of applications to Welsh funded courses.

This is positive news and the continuance of the bursary scheme has avoided the declines being reported in England.



However, there has been significant investment in Health education since 2014 demonstrated by the 40% increase in overall budgets from 2014/15 to 2018/19. Therefore although the number of applications has remained constant, the applications per place rate has dropped.

This, in turn, has affected some Universities in some courses, achieving their commissioning numbers. This is explored in more detail later in the report in the **Application Rates** and **Achievement of Commissioning Numbers** sections of the report.

### **Case Study – Learning Disability Nursing**

In May 2018 the Nursing Times reported, following a survey by the Council of Deans of Health, that almost half of universities with pre-registration learning disability nursing courses in England have discussed terminating their programmes next year due to student recruitment difficulties. The survey results were based on responses from 15 of the 29 LD Nursing providers in England. It stated that three quarters of universities had, at that stage (May 2018), not been able to make enough offers to applicants to fill all their spaces for courses starting in September 2018. No universities in London are offering a LD nursing course for September 2018.

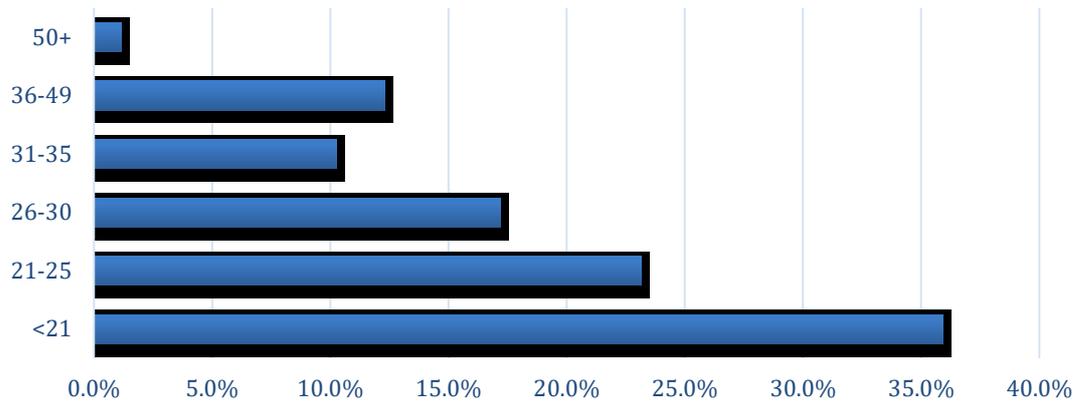
Wales has also experienced difficulty recruiting to LD nursing. Application rates are low compared to the other fields of nursing. However, whilst the two Universities in Wales have failed to fill all their commissioned places, the viability of the programmes are not in question. Commissioning numbers are increasing and although these are not being achieved, the Universities are recruiting more students onto their LD courses than in previous years.

Part of this is due to the bursary scheme remaining in Wales but part is also due to the innovative collaborative approach to marketing and development employed by the two LD Nursing providers.

England has also reported a fall in mature student numbers (over 26 years old). This has been more extreme than the general decline in healthcare course applications. A 16% reduction has been forecast between 2017 and 2018 with an unprecedented total decline of 40% since June 2016.

By contrast, in Wales, the percentage of mature students recruited has increased from 35% of the student nursing commissions in 2015 to 41% in 2017. These students are predominantly Welsh domiciled and therefore more likely to have “roots” in Wales and be embedded into the local community – thus increasing the probability that they will work locally upon graduation. 5 years ago a third of all students were above the age of 26. This has risen to 41%. It is documented in England that fewer mature students are applying for courses. In England the fall in mature student numbers (over 26 years old) with an unprecedented total decline of 40 percent since June 2016. The removal of the bursary scheme is cited as one of the main reasons for the decline. In Wales, where the bursary scheme remains, the number of mature students gaining places on funded healthcare courses is at its highest recorded level.

### Ages of students accepted onto Welsh Health Courses in 2017/18



## Value for Money and Contract Performance

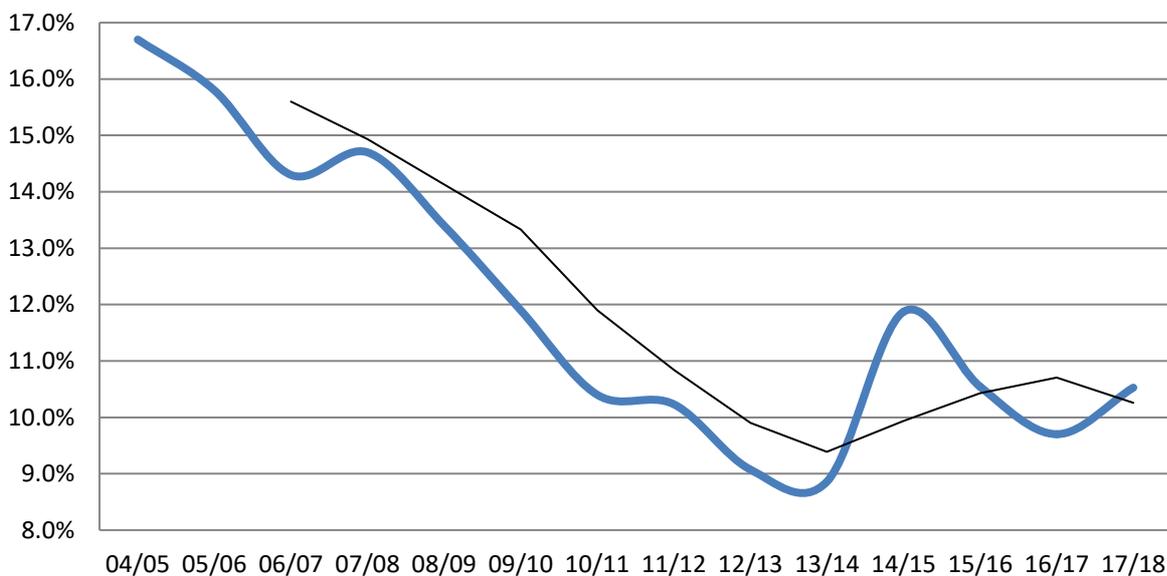
### Nursing Attrition – All Wales

The graph below identifies a continual downward trend on student attrition for pre-registration nursing across Wales until 13/14 academic year. Attrition in 2014/15 increased significantly to 11.8%. This was discussed with each University in the Performance meetings and there has been a subsequent reduction.

The 2017/18 pre-registration nursing attrition rate is **10.5%**. The attrition target is 12% and Wales has achieved this for each of the last 9 years.

The information for September 2017 onwards is based on the actual number of students that sign up to the 2-year tie-in. i.e. all self-funders are ignored for attrition analysis.

All Wales change in attrition rates 2004-2018 with 3 year rolling average



### Nursing Attrition Wales compared to England

When compared to England pre-registration nursing attrition in Wales is significantly lower. The gap has continued to increase with England still reporting (see note below) attrition at a minimum of 20%. It is important for Wales that the current gap is maintained or increased to show continuous improvement. The gap has increased for the last 2 academic years.

Note:

*“Raising the Bar” the Lord Willis Review The Shape of Caring released by Health Education England March 2015. Theme 8: Funding and commissioning levers to support future education and training (page 61),*

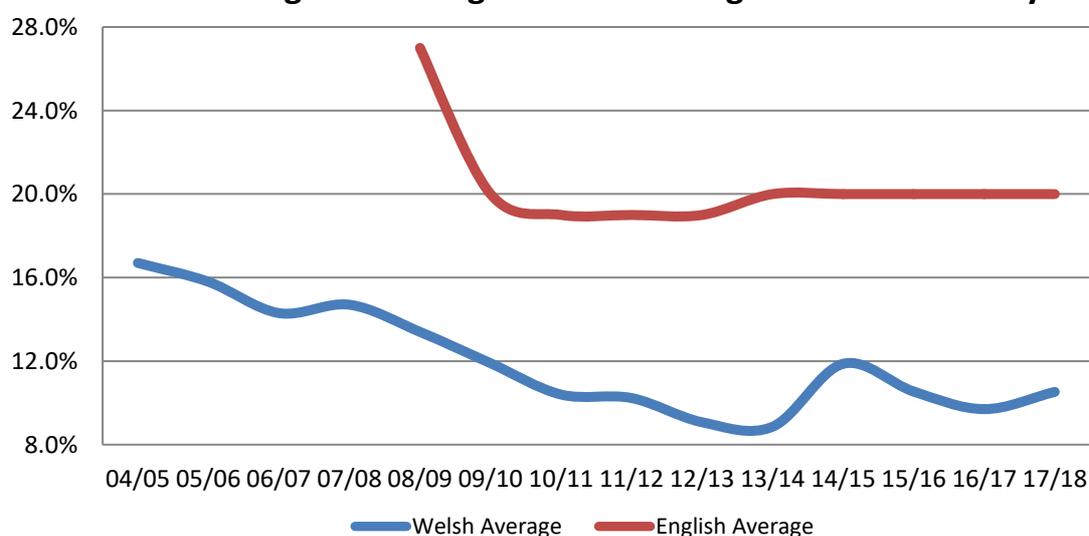
*“Non-completion rates within pre-registration nursing programmes have been raised as a longstanding issue for many decades. While there is some variation in recorded rates of attrition, HEE projects that the overall attrition rate for nursing undergraduates is, on average, in excess of 20 per cent.”*

The House of Commons Health Committee report entitled “The Nursing Workforce: Second Report of Session 2017-19 (HC 353)” published in January 2018, contains the following narrative in relation to student nurse attrition in England.

*“Historically a large percentage of student nurses have failed to complete their training, with the rate of attrition varying widely between universities. Health Education England’s Reducing Pre-Registration Attrition and Improving Retention (RePAIR) project aimed to reduce unnecessary attrition and identify areas of best practice in retaining student nurses. Initial results from RePAIR show that 30% of students who were due to complete in either 2015/16 or 2016/17 failed to complete within the standard time period.”*

Some of the 30% attrition quoted are still in the system and will qualify – but at a later date, generally between one month and a year later. This is no different to Wales with students taking longer than the 3 years to qualify due to ill health, maternity, resits or placements. It therefore seems more appropriate to us the 20% attrition rate for England identified in the Lord Willis report.

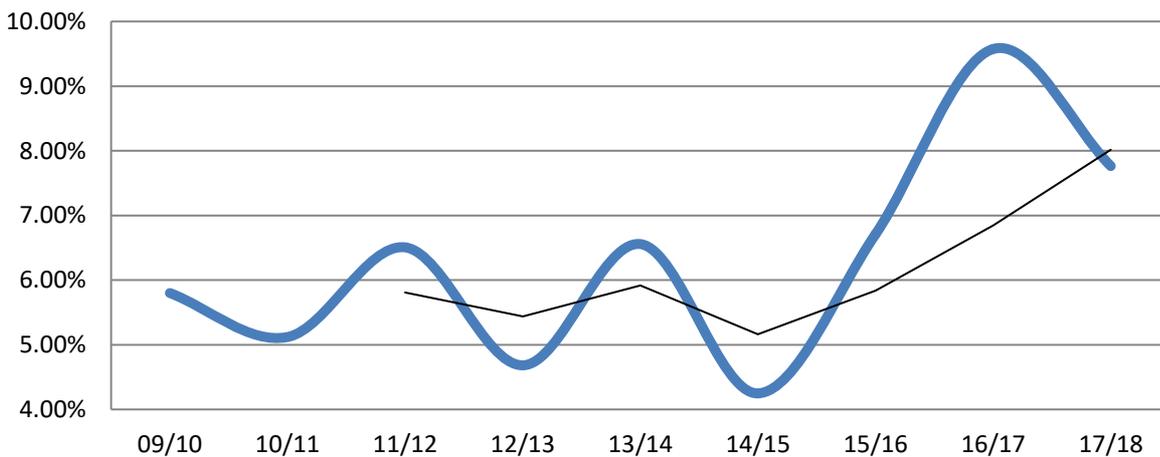
**Wales v English Pre-Registration Nursing Attrition Summary**



## All Wales Midwifery Attrition

The Welsh average midwifery rate is consistently low. The graph below shows that over the last 8 years midwifery attrition has always been below 9%. The 2017/18 rate is **7.76%**. Due to the low numbers being trained in Wales (297 in training in 2017/18) small variations can have a large impact on the overall attrition rate. The 3-year rolling average therefore represents a more accurate view of attrition. This indicates that the trend is upwards despite a drop in 2017/18.

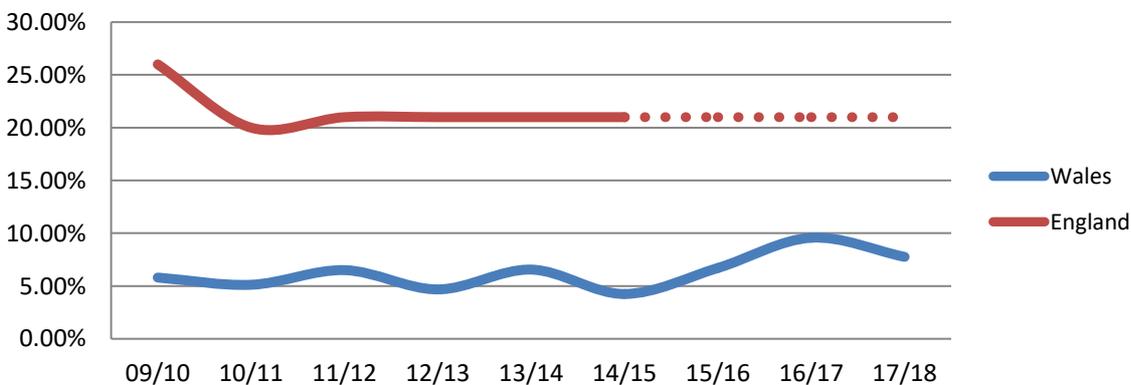
**Welsh Average Midwifery attrition rate - 2009-2018** (with 3 year rolling average)



## All Wales Midwifery Attrition: Wales v England

Midwifery attrition in England is quoted at 21%. Attrition in Wales has been consistently below this level.

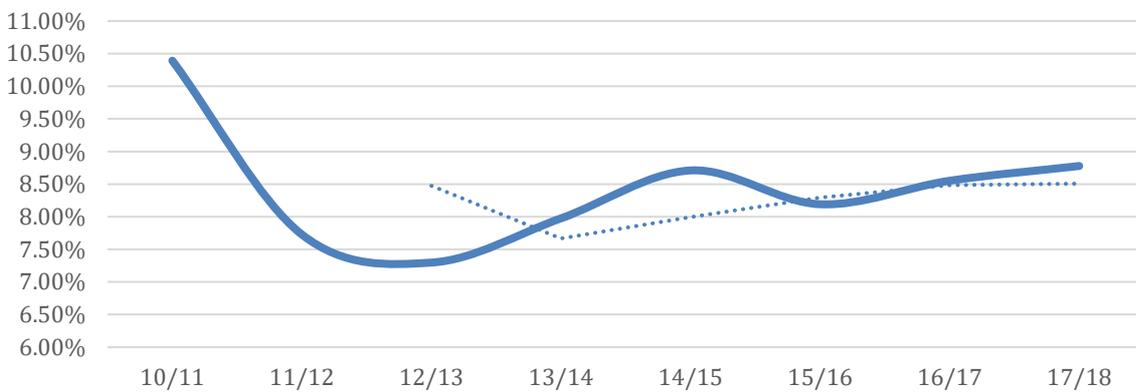
**Midwifery Attrition 2009-2018**  
**Wales v England Comparison**



## All Wales Allied Health Profession Attrition

The Welsh average Allied Health Profession rate is consistently low. The graph below shows that over the last 7 years the attrition rate has always been below 10%. The 2017/18 rate is **8.8%**. Rates on individual courses range from 5%-14%. The 3-year rolling average therefore represents a more accurate view of attrition. This indicates that the trend is upwards and although this is at a slow rate this will be explored in detail with the Universities providing AHP courses.

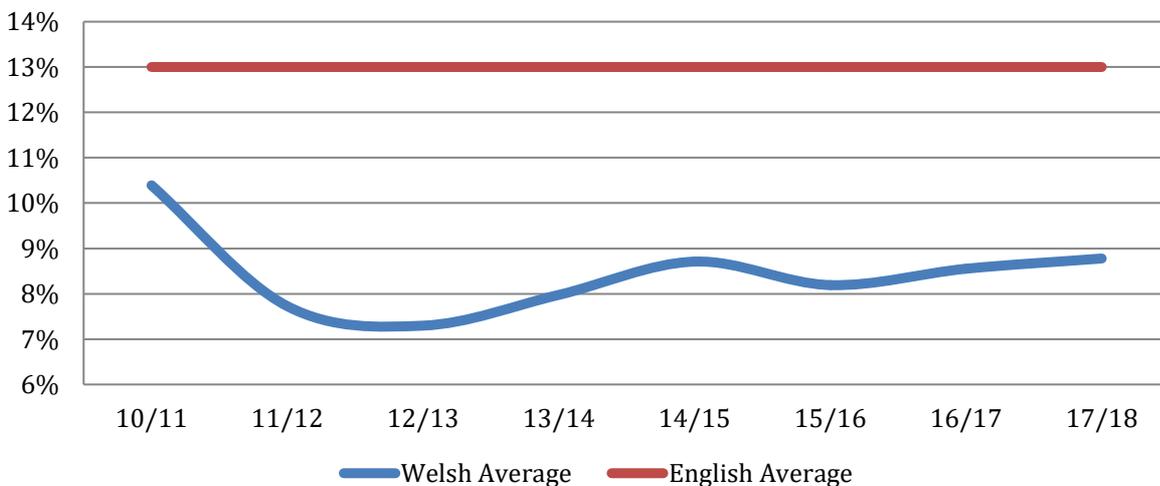
**Welsh Average Allied Health Professional Attrition Rate - 2009-2018** (with 3 year rolling average)



## All Wales AHP Attrition: Wales v England

AHP attrition in England is quoted at 13%. Attrition in Wales has been consistently below this level.

**Average AHP attrition: Wales v England 2010-18**





Gwasanaethau'r Gweithlu, Addysg a Datblygu yn is adran o fewn Partneriaeth Cydwasanaethau GIG Cymru  
Workforce, Education and Development Services is a division of the NHS Wales Shared Services Partnership

### **Workforce, Education and Development Services Work programme for 2018/19 FINAL VERSION 16.5.2018**

**Progress Update September 2018**

#### **1. BACKGROUND**

The Workforce, Education and Development Service (WEDS) is one of a wide range of functions delivered by the NHS Wales Shared Services Partnership (NWSSP). Key areas of work include, strategic workforce planning for NHS Wales together with the commissioning of education for the health professional workforce.

The core functions delivered by WEDS includes:

- Workforce Planning (including horizon scanning)
- Workforce Intelligence/informatics (including pay modelling)
- Workforce transformation and redesign
- Education development, commissioning and contracting
- Careers service

The Health Professional Education and Training budget of £107m (2018/19) demonstrates the significant investment the Welsh Government makes in the future workforce, which is managed on its behalf by NWSSP (WEDS).

The 2018/19 WEDS work programme will be delivered in the context of the transition of these functions to Health Education and Improvement Wales (HEIW) as of the 1<sup>st</sup> October 2018.

#### **2. THE 2018/19 WORK PROGRAMME**

To ensure effective collaborative working arrangements NWSSP established a WEDS Advisory Group, which has membership from NHS organisations, Welsh Government and NWSSP. The work programme has been designed to ensure that the input to NHS Wales and the Welsh Government from WEDS reflects the NHS key strategic priorities as these relate to the areas of work WEDS is accountable for. A review of key areas of Welsh Government policy and priorities for NHS Wales's organisations identified the following:

- The development of **population based workforce planning** which will complement and fit within the IMTP process and inform the development of the 10-year workforce plan for NHS Wales.
- **Develop and commission education** at all levels, (support worker, undergraduate and post graduate/CPD) which reflect the future needs of the health sector in Wales. This will include ensuring value for money and the development of new approaches to education provision in response to service needs, resources and changing education structures in Wales.

- Facilitate **workforce transformation** and redesign to support the delivery of a prudent workforce.
- **Development of workforce analytics and modelling** capacity for NHS Wales which supports strategic development of the workforce and in particular the 10 Year Workforce Strategy and Primary Care workforce plan
- Support the **efficient and effective use of resources**, this includes managing the WEDS budget for 2018/19; modelling pay strategies and supporting work to maximise efficiency
- Support the **Integration of health and social care workforce** through the development of joint planning, joint education and joint roles.
- Provide a range of resources and support to Health Boards and Welsh Government to develop the **primary care workforce**
- Manage **national careers strategies** to ensure careers in Wales are considered a positive first choice for the healthcare workforce

The work programme identifies a number of key deliverables for each of the areas of work identified above, these are intentionally high level and do not identify the detail of the work to be undertaken. Some of the priorities identified in the work programme may change to reflect in year changes in Government priorities, which ultimately have an impact on NHS organisations.

Given the nature of the work WEDS undertakes many of the actions can be considered across a number of these themes.

The Well-being of Future Generations (Wales) Act 2015 places a positive duty on Wales to achieve sustainable development and identifies how this could be achieved and these duties have been incorporated into the approach taken by NWSSP in regards to all of its work.

The Act puts in place a 'sustainable development principle', which informs organisations how to meet their duty under the Act. There are 5 things that public bodies need to think about to show that they have applied the sustainable development principle:

- Long term
- Prevention
- Involvement
- Integration
- Collaboration
- Involvement

The delivery of the WEDS work programme will take into consideration the requirements of the Act to ensure NWSSP contributes to the future sustainability of Wales.

WEDS has a key role in ensuring the future workforce supports health boards and trusts meet the Welsh language needs of their local population. NWSSP is fully engaged in the work of the Welsh Language Commissioner.

### **3. OPPORTUNITIES & CHALLENGES**

There are a number of significant opportunities and challenges facing NWSSP (WEDS) in 2018/19, these include:

- the **establishment of Health Education and Improvement Wales (HEIW)**
- the **Parliamentary Review** of health and development of the 10 year workforce plan for Wales and its implementation

- the announcement to be made by Welsh Government on future funding of health professional education.

**It is recognised that the establishment of HEIW half way through the financial year is likely to have a significant impact on the WEDS work programme in 2018/19. It is therefore important to recognise that the work programme will be reviewed regularly during the year with key stakeholders and amendments made to reflect the demands on time.**

Other challenges include supporting the transformation of the workforce and supporting professional groups and Workforce & OD Directors to lead this work. This will in particular focus on the primary care workforce to reflect the priorities identified in the primary care plan in addition to those parts of the workforce, which are facing significant risk with regard to workforce supply and demand.

There will be significant challenges in relation to maximising efficiencies in terms of the education budget as the increase in student numbers in 2015/16, 2016/17 and 2017/18 will be fully realised in the budget requirements for 2018/19 and this will require scrutiny and careful management.

#### **4. VISION OF THE SERVICE 2018/19**

In support of the NWSSP Vision and Mission, WEDS has developed a team purpose and vision. The overall team purpose is to

**Improve patient care by enabling NHS Wales to plan  
and sustain a dynamic workforce which delivers world  
class services**

The delivery of the WEDS vision is heavily reliant on effective communication between WEDS and it's key stakeholders. To that end WEDS has developed a Communication Strategy, which is focusses on the NWSSP aims of:

- Engaging and empowering staff in delivering a dedicated Shared Services organisation, which meets best practice standards in service delivery; optimises economies of scale and focuses on excellent customer care.
- Promoting the ways NWSSP can enable and support NHS Wales in delivering more services that are effective and protecting the organisation from unnecessary reputational damage.
- Building good relationships between stakeholders, partners, services and key opinion-formers.

The aim of WEDS is to provide a high quality service to stakeholders in support of the WEDS vision. This is delivered through the agreed work programme. The work programme identifies 10 high level key objectives, under which specific deliverables are identified. The detail of 'how' these objectives will be achieved is contained within the WEDS operational plan which is separate to this document.

Throughout the year additional requests for work will emerge and the WEDS team will respond to these depending on capacity/reprioritisation of existing work.

## WEDS (NWSSP) WORK PROGRAMME FOR 2018/19

### **OBJECTIVE 1 – PRIORITY AREAS**

The priority areas identified below are non-negotiable elements of the WEDS work programme and must be delivered. Subsequent objectives identified while important will be managed around the delivery of these key areas, however many of these inform the work required to successfully deliver the below.

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
1.1 Support the establishment of HEIW and the successful integration of the WEDS functions and staff into HEIW.	WEDS staff and functions are successfully integrated into HEIW.	SG, JD and CM	March 2019	Contribution made to all aspects of HIEW work programme, sub-groups and Transition Management Team. Set up of HEIW hierarchy on ESR on track.
1.2 Ensure core business is delivered during a time of significant change.	Stakeholders continue to receive the same high levels of service and engagement from the WEDS team as previously reported.	SG, JD and CM	March 2019	Work programme on track. Regular review of work programme delivery in place.
1.3 To support the development of a health and care workforce strategy as part of the implementation of the recommendations of parliamentary review.	Draft strategy developed.	JD	March 2019	Support provided to CEO, HEIW /CEO, SCW to produce workforce strategy contribution to inform development of 'A Healthier Wales'. Contribution to discussions with SCW on plans for development of workforce strategy
1.4 Development of an education-commissioning plan for 2019/20 for medical and non-medical workforce.	Welsh Government/HEIW Board to determine priorities for investment in 2019/20 aligned to future service needs.  Identification of workforce planning priorities and areas, which require further work.	SG/JD	July 2018	Completed. Joint Medical / Non-Medical Education and Training plan for 19/20 produced. Presented to CEOs, NEB and SEDG in July 2019.  Priority areas identified in plan.
1.5 Commence preparatory work to inform future education contracts as current contracts end in July 2021. A report identifying future education commissioning intentions for the next 10 years is developed.	Review current model of education provision across Wales and make recommendations to the HEIW Board to inform future education commissioning intentions.  The outcome will inform the procurement process for education provision to commence summer 2019.	SG/MR/CL	July 2019	Preparatory work undertaken. Proposal for reviewing current provision and subsequent procurement process to tender for new NMET provision for Wales commenced.

<p>1.6 WEDS/HEIW to provide advice to the Welsh Government to enable the Cabinet Secretary to determine future policy regarding funding of health education.</p>	<p>Policy position agreed for 2019/20.</p> <p>HEI can successfully recruit to the 2019/20 cohorts and beyond.</p> <p>Wales retains a vibrant interest in health education programmes and thereby the future workforce.</p>	<p>SG/MR/CL</p>	<p>Sept 2018</p>	<p>Completed</p> <p>Advice provided to WG on a number of scenarios to understand financial implications.</p> <p>WEDS has provided separate advice on the consultation and options for the future.</p>
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**OBJECTIVE 2 - POPULATION BASED WORKFORCE PLANNING**

Lead the development of population based workforce planning which will complement and fit within the IMTP process. This includes development of capacity across NHS Wales, building the foundations for workforce planning in primary and community care and developing population based approaches.

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
<p>2.1 Development of an education commissioning plan for 2019/20 for medical and non-medical workforce</p>	<p>Welsh Government/HEIW Board to determine priorities for investment in 2019/20 aligned to future service needs</p> <p>Identification of workforce planning priorities and areas which require further work</p>	<p>SG/JD</p>	<p>July 2018</p>	<p>Completed. NHS Wales Education Commissioning and Training Plan 2019/20 produced and recommendations presented to CEOs, NEB &amp; SEDG, July 2018.</p>
<p>2.2 Review the current workforce planning approach that supports the IMTP/Planning Framework to ensure that it remains fit for purpose and supports whole system planning based on population health.</p>	<p>Recommendations for future change/improvement to NHS Wales Planning Framework</p> <p>Updated IMTP Education Commissioning Templates which will support the service to accurately reflect their workforce needs</p> <p>Identify opportunities to improve the link between education commissioning requests and workforce development within organisations</p>	<p>JD/CP</p>	<p>Sept 2018</p>	<p>On track. Draft timetable for planning cycle (2019/20 Plan) produced. To be reviewed in preparation for the commencement of the 2020/21 planning cycle.</p> <p>Meetings in place to review IMTP templates.</p> <p>Agenda item with Workforce Planning Network exploring the potential to provide guidance on what the workforce section of the IMTP should contain and how this could link better with the education commissioning requests.</p>
<p>2.3 Work with policy leads and others to develop whole system workforce planning focussing on priority areas of service delivery.</p>	<p>Position paper on whole system workforce planning and opportunities for development produced for consideration by HEIW</p>	<p>JD/CP/KG</p>	<p>December 2018</p>	<p>Paper on workforce modelling produced and submitted to HEIW leads.</p> <p>Workforce Planning paper drafted.</p>

	<p>Board including national and regional planning.</p> <p>Prioritisation of national work streams e.g. unscheduled care/OOH, Mental Health, Pathology, Critical Care, Imaging and Pharmacy.</p> <p>Workforce actions identified including links to education and workforce transformation opportunities.</p>			<p>Meetings have taken place with the Policy Leads for Mental Health in Welsh Government. WEDS also contributing to work on:</p> <ul style="list-style-type: none"> <li>• Critical Care Implementation Group</li> <li>• Unscheduled Care – assessment of current NHS Wales actions</li> <li>• Out of Hours – supporting work to consider wellbeing and morale and potential to expand/strengthen capacity of OOH teams</li> <li>• OOH Clinical Peer Review</li> </ul> <p>WEDS continues to work with:</p> <ul style="list-style-type: none"> <li>• Imaging Taskforce and National Imaging Academy Development Board. Paper on assessment of Opportunities for wider imaging team produced and received by ITF and NIADB. Outline plan for workforce development produced for ITF.</li> <li>• Pharmacy Workforce Modernisation Group</li> <li>• National Pathology Network</li> </ul>
<p>2.4 Build links with other national bodies, specifically Social Care Wales identify potential opportunities for workforce planning across both sectors</p>	<p>Identify key areas for links and start to create common language between the two sectors</p> <p>Establish links between Social Care Wales and the NHS Wales Workforce Planning Network</p>	<p>JD/CP/KG</p>	<p>Ongoing</p>	<p>Work with SCW to produce Workforce Strategy Submission - see also 4.5.</p> <p>Follow up meeting with SCW held to build relationships and identify potential future planning work.</p> <p>Links made to Workforce Planning Network-representative from SCW to attend and speak. Network encouraged to identify where they are involved with Regional Planning and are making links with Social Care</p> <p>Links established with All Wales Social Prescribing Research Network and three associated communities of practice to explore education and training needs for sign-</p>

				posters/social prescribers across primary, community, social care and Independent Sector.
2.5 Evaluate the current approach to workforce planning training and plan for any changes in approach to build, and maintain capability and capacity within the health sector	<p>Produce evaluation report and recommendations for HEIW Board on the future capacity for the provision of workforce planning training</p> <p>Support workforce planning training for organisations during 2018/19</p> <p>Identify opportunities and make links with Social Care Wales</p> <p>Work with the Planning Academy to develop the workforce planning modules of the planning postgraduate qualification</p> <p>Develop shared learning opportunities across the Workforce Planning Network, Planning and Finance Academies</p>	CP	July 2018	<p>Questionnaire evaluations undertaken and results analysed. Evaluation of the two years of Skills for Health Workforce Planning Training completed. Draft report to be prepared for early Autumn.</p> <p>HB/Trust staff identified for Postgraduate Certificate in Strategic Workforce Planning (autumn course). Candidates for the London course to be confirmed. SCW – see 2.4</p> <p>Completed. Tender for the Planning Academy postgraduate qualification issued – WEDS input into the development of the tender with regards to the workforce planning aspects.</p> <p>Meetings with leads for the Planning and Finance Academies undertaken and awaiting confirmation of the development programme for the Planning Academy.</p>
2.6 Delivery and evaluation of a workforce planning approach for the development of Cluster level workforce plans to support the development of the MDT workforce.	<p>Oversee delivery of the successful tender including engagement of stakeholders across the cluster</p> <p>Analysis of workforce and population health data for cluster</p> <p>Identification of a number of workforce solutions</p> <p>Evaluation of approach to establish whether it could be an approach for Wales</p>	CP/KG	March 2019	<p>Completed. Contract awarded to Skills for Health. Cwm Taf UHB have identified the Cynon Cluster to work with Skills for Health to develop a workforce planning approach.</p> <p>On track. Steering Group established to oversee the work and has met for the first time. Project plan developed and the data collection phase has been completed with draft report anticipated at end of July.</p> <p>Workshops set up for August to discuss data findings with the stakeholders and to start to develop the workforce plan. Project plan with timelines in place.</p>

<p>2.7 Work with the lead Medical Director and Workforce and OD Director to shape the work of the All Wales Strategic Medical Workforce Group (ASMWG)</p>	<p>Ensure clear deliverables for the group and regular reporting to CEOs</p> <p>Identify and monitor the implementation of the ASMWG specific actions from Together We Care</p> <p>Ensure delivery of sub groups and agreed work streams</p>	<p>JD/CP</p>	<p>March 2019</p>	<p>On track. Draft implementation plan developed for Together We Care and those leading work on all Wales basis presenting at ASMWG meetings.</p> <p>Letter sent to CEOs regarding their implementation plans for TWC.</p> <p>Psychiatry Sub Group report completed and received by ASMWG. Recommendation to continue the work of the group agreed.</p> <p>Medical Workforce Planning Finance Options paper completed and received by ASMWG. Taken to CEOs meeting in June. Further information requested and group to be reconvened.</p> <p>Medical System Whole Workforce Sub Group work nearing completion, report now in draft.</p>
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**OBJECTIVE 3 - EDUCATION**

Develop education at all levels and commission appropriate provision to support future needs of the health sector in Wales. This will include ensuring value for money, the development of new approaches to education provision in response to service needs, resources and changing education structures in Wales.

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
<p>3.1 Commence preparatory work to inform future education contracts as current contracts end in July 2021. A report identifying future education commissioning intentions for the next 10 years is developed.</p>	<p>Review current model of education provision across Wales and make recommendations to the HEIW Board to inform future education commissioning intentions.</p> <p>The outcome will inform the procurement process for education provision to commence summer 2019</p>	<p>SG/MR/CL</p>	<p>July 2019</p>	<p>On track. Proposal for reviewing current provision and subsequent procurement process to tender for new NMET provision for Wales commenced.</p>
<p>3.2 WEDS/HEIW to provide advice to the Welsh Government to enable the Cabinet Secretary to determine future</p>	<p>Policy position agreed for 2019/20</p>	<p>SG/MR/CL</p>	<p>Sept. 2018</p>	<p>Completed. WEDS response to Welsh Government consultation on Health Related Education and</p>

policy regarding funding of health education	HEI can successfully recruit to the 2019/20 cohorts and beyond  Wales retains a vibrant interest in health education programmes and thereby the future workforce			Training Programmes in Wales- Student Support Arrangements, produced July 2018.
3.3 Revise policy on NHS Wales Bursary and secure high levels of interest in health education provision across Wales	NHS Wales Bursary position is updated and available to all stakeholders.  Work with Welsh Government to ensure the Train, Work, Live campaign is embedded within the universities marketing materials and is seen as core to the education provision in Wales	CL/AS	Sept. 2018	Completed. Revised Bursary FAQ's, terms and conditions produced July 2018.
3.4 Ensure current contracting arrangements are maintained during the transfer of WEDS to HEIW	The Health Professional Education budget is successfully managed and balanced at year end	SG/MR	March 2019	Contracts have been identified as part of the financial and governance work streams and will be novated to HEIW at the point of transfer – 1 <sup>st</sup> October 2018.
3.5 Implement the funding arrangement for the Buurtzorg community nursing model	Health Boards will be able to increase support for community nurse education.  There will be an increase in the number of staff undertaking education to support them working in the community	SG/MR/CL	March 2019	Monitoring template to scope Community nursing workforce, developed and shared with HEI's and Health boards. Findings shared and discussed with Welsh Government. Financial modelling completed and funding model agreed, July 2018.
3.6 Develop a paper for the HEIW Board with the rationale and recommendations for HEIW to become a Pearson Awarding Body Centre on behalf of NHS Wales	Will enable HEIW to deliver Healthcare Science Support Worker Apprenticeships.  Compliment current arrangements where WCPPE are a City and Guilds and an Agored Centre. This will facilitate the delivery of a broad range of vocational education.	LH	March 2019	To explore as part of the future education/training role of HEIW

<p>3.7 Identify the need and develop accredited education at all levels to support workforce transformation and career pathway development</p>	<p>Where appropriate this education would be within Apprenticeship Frameworks in line with WG Apprenticeship Plan</p> <p>Support the widening access and grow your own agendas Alternative models for the delivery of clinically based education</p> <p>Centrally commissioned education and training from external partners on a regional or all Wales basis</p>	<p>LH/TC/CM/KG</p>	<p>March 2019</p>	<p>Primary Care HCSW Development Group continues to progress its agenda to improve and broaden education opportunities for primary care workforce – plans underway to develop the learning pathway at Levels 3 &amp; 4 in alignment with developing service needs.</p> <p>Apprenticeship Framework for primary care is to be explored. Welsh Government has agreed to the funding of 3 new Apprenticeship Frameworks in Healthcare Science, Therapies and Ambulance Services</p>
<p>3.8 Lead on work with Social Care Wales on the development, implementation and evaluation of the All Wales joint induction framework.</p>	<p>Delivery of a pilot programme within the Hywel Dda HB footprint.</p> <p>Identify where this new Induction Framework is applicable in NHS Wales.</p> <p>Identify where economies of scale can be achieved with regards to joint training across health and social care and third sector.</p>	<p>LH/CM</p>	<p>March 2019</p>	<p>On track. Two meetings of the Steering Group and monthly meetings of the Working Group to progress this work. Currently scoping what induction is currently being delivered in order to develop a model for the joint delivery.</p>
<p>3.9 Produce an options paper and recommendations for HEIW on how NHS Wales can work collaboratively with the Third Sector to maximise the use of their training resources in line with the Parliamentary review e.g. British Heart Foundation</p>	<p>Provides economies of scale and a once for Wales approach to training.</p> <p>It will increase of understanding of the roles of the different agencies and services.</p> <p>Cross sector collaboration/ sharing resources.</p>	<p>TC</p>	<p>December 2018</p>	<p>On track. Desktop review of Third Sector providers' undertaken and a report submitted to WG regarding the level of provision.</p>

3.10 Manage and monitor the allocation of the £1.75m for HCSW development.	HBs and Trusts are supported financially to develop the HCSW workforce.	CM/LH/LH/KG	March 2019	Primary Care HCSW funding allocated (July) to support L2, 3 & 4 education, A proportion of the budget is assigned to develop an education and training framework for social prescribing in Wales. Funding allocated to Health Boards and Trusts. WEDS meeting with all organisations to discuss their allocation
3.11 Work in partnership with Qualifications Wales and Social Care Wales to develop a new suite of health and social care and child qualifications at education levels 2-5 that meet the needs of all sectors.	<p>These new qualifications will meet a recommendation within the Qualifications Wales review of Health and Social Care qualifications.</p> <p>This will provide NHS Wales and the Social Care sector with staff with the transferable skills to work across the sectors in line with the recommendations of the Parliamentary Review and the Childcare, Play and Early Years Workforce Plan</p>	LH/TC	March 2019	WEDS attending Qualification Approval Panel meetings as per the Qualifications Wales timeline
3.12 Develop an Advisory paper for HEIW on the implications of the Regulation of Adult Domiciliary Care Workers (voluntary registration from 2018 and mandatory from 2020).	HEIW will need to consider if identified HCSWs may need to be supported to obtain and maintain their registration in line with other registered support workers e.g. Pharmacy	TC	December 2018	Work planned for quarter three.
3.13 Produce an advisory paper for HEIW on their role in the maintenance of the Quality Assured Lifelong Learning (QALL) pillar of the Credit and Qualifications Framework for Wales (CQFW).	Identify the value of the QALL pillar to HEIW and NHS Wales and establish a process to develop and maintain it if required	LH/TC	December 2018	Waiting for the review of the health qualifications to be completed to commence this work.
3.14 Provision of advice and expertise to the National Imaging Academy for Wales on workforce planning and future education solutions	Explore the opportunities for the development and delivery of education for Radiographers and other health professionals as part of phase 2 of the Imaging Academy.	JD/LH	March 2019	Work programme outline with proposal for first cohort of extended skills Radiographers in the Imaging Academy produced for Imaging Taskforce – July 2018. Workforce input to Imaging Taskforce workshop. Paper on scope for extended skills Radiographer roles and opportunities for support staff produced

	Work with the Imaging Taskforce to achieve the workforce outcomes in the Imaging statement of intent.			for National Imaging Academy Board – August 2018. NIAD briefings for WODDs.
3.15 Work with Awarding Organisations and Subject Matter Experts to develop a new qualification that meets the new GPhC Education and Training Standards for Pharmacy Technicians (appraise if this will be in partnership with HEE).	A new qualification that delivers the pharmacy technician workforce fit for the future, for incorporation into an apprenticeship framework.	MS	Dec 2018	WEDS discussion forum held on 6 <sup>th</sup> July with all stakeholders regarding new IET PT's for England and Wales. Agored fully engaged. WEDS consultation response on the draft qualification submitted 30 <sup>th</sup> July. Approx 23/300 consultation responses submitted from Wales. Skills for Health aware of the needs for a new apprenticeship framework. Concerns raised with the oversight group chair around technical services workforce needs and also the pharmacy Workforce Modernisation Group.
3.16 Working with education providers identify current pre reg full time programmes which could be delivered on a part time basis and develop a plan for the role out of part time provision.	Enable progression of Band 4 staff/individuals with appropriate education to obtain professional registration. Facilitate widening access	CL	March 2019	Early discussions with CMU re level 4 apprenticeship for HCS, and progression to possible part time provision at undergraduate level.
3.17 Working with Agored Cymru and NHS Wales undertake a review of the health specific suite of support worker qualifications and develop a suite of assessment resources to support the reviewed qualifications.	All available qualifications meet the future skills needs of NHS Wales.  consistency of teaching and assessment materials and common quality assurance standards for HCSW qualifications	LH/TC/KG	March 2019	On track. Work stream convened to quality assure Primary Care HCSW qualifications assessment expectations through All Wales workbook production. A number of the health qualifications have been reviewed and work is due to be completed by September.
3.18 Identify opportunities to commission equivalence pathways for health care scientists	HCS will be able to meet PTP, STP and HSST requirements and registration through new flexible routes	CL	June/July 2018	Paper completed outlining a proposal and funding for equivalence included in education and Training plan 2019/20.
3.19 Develop a discussion paper for Exec peer groups to consider how Health Boards could support student accommodation	To ensure student experience whilst on placement is not adversely impacted by the accommodation available to them.	CS	March 2019	In initial scoping stage.
3.20 Develop a business case to identify an education provider to become an	To improve access and experience of internationally trained nurses to undertake an	CS	March 2019	After initial scoping and discussion this objective will be to develop a business case to Nursing Directors recommending a tendering process to

assessment centre for internationally trained nurses.	approved NMC assessment to enter the NMC register			contract universities to prepare nurses trained overseas, but living the in the UK, to undertake testing and study to acquire NMC status.
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**OBJECTIVE 4 - WORKFORCE TRANSFORMATION AND REDESIGN TO DEVELOP A PRUDENT WORKFORCE**

Facilitate transformation of the workforce in priority areas as agreed by NHS organisations.

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
4.1 In partnership with the service via a task and finish group review and relaunch the delegation guidelines to facilitate improved deployment of staff This will include: <ul style="list-style-type: none"> <li>Review of current booklet</li> <li>Development of an interactive tool</li> <li>Development of an e-learning module</li> </ul>	Supporting the understanding and utilisation of delegation will align with the nurse staffing Wales Act and will assist with the application of a flexible approach. They will have the following effects: service will be less risk averse; increased confidence to delegate; increased capacity of regulated staff; staff will work to the top of their licence; increased capability of the HCSW workforce, maximising their contribution.	GHH/CM	Nov 2018	Task and finish group established Membership covers all staff groups and Wales Partnership forum representation. Draft TOR developed. Legal advice obtained.
4.2 Upscaling of Care Aims to a strategic level.	In alignment with the Parliamentary review and the Prudent principles of co-production and treat those with the most need first scaling up the behavioural science approach to a strategic level will result in: a once for Wales approach to delivering the Care Aims model; regulated who are empowered to make difficult decisions and have challenging conversations with colleagues re referrals and patients/clients; a regulated workforce confident in delegation; patients/clients will, via co-production, be self- managing; potential reduction in waiting times	GHH	Ongoing	4 <sup>th</sup> round of training in progress 7HB/Trusts plus one all Wales pathway have taken up the offer. Discussions underway regarding a shortened version to update medical practitioners. A paper is being developed to bid for funding against the Parliamentary Review to upscale the roll out of the model
4.3 Support the evaluation of the new physician associate role in NHS Wales to understand the impact on the service and service user	Research funding streams available to commission an independent evaluation of the PA role to determine the impact of these roles in Wales.	GHH	June 2018	Working in partnership with the South East Wales Academic Health science Partnership to complete a KESS application for funding. Evaluation likely to start in January as an MRes with Cardiff university.

	Providing the researcher with support will enable NHS to have a report that will support the identification of where the PA has greatest impact on the service.			Discussions being held regarding further evaluation working with Swansea university.
4.4 Working with the communications department develop a library of good practice approaches to support the service in implementing change.	Sharing good practice will enable the service to access models to change and maximise the workforce deployment that have been proven to work	GHH/Coms KG	March2019	Areas of good practice identified via Clinical Modernisation Forum, W/F planning network etc. Links made with individuals template established.  Compendium of Primary Care Roles & Models, and Job Description library launched. Work ongoing to build on the resource and to promote/develop it as a concept for sharing good practice.
4.5 To support the development of a health and care workforce strategy as part of the implementation of the recommendations of parliamentary review.	A draft strategy is developed.	JD	March 2019	Worked with CEO, HIEW and CEO, SCW to produce Workforce Strategy Submission as part of advice to WG following publication of the Parliamentary Review. Report completed to time and submitted.
4.6 Support the Workforce and OD Directors in the development and delivery of their collaborative work programme.	Health and Wellbeing Programme Board and Project Groups will identify programme deliverables and outcomes to be achieved through a 'Once for Wales' collaborative approach (supporting the Parliamentary Review Quadruple Aim c. enrich the wellbeing, capability and engagement of the health and social care workforce).	CS/KG	Ongoing	Task facilitation and reporting is provided to the WODDs' Primary Care Workstream lead, in accordance with primary care workforce priorities.  Intensive work programme currently in progress to support the NHS Wales Sickness Policy review, linked to the NHS Wales Pay Negotiations. Areas of work include Rapid Access to Treatment, an NHS Wales Occupational Health Service Network, Organisational Health Needs Assessment, Tailored Adjustments toolkit, Minimum Standards for managing attendance, including sickness audits, joint training package for managers etc.

<p>4.7 Evaluate the impact of centrally funded Advanced Practice modules for pharmacists and pharmacy technicians providing community health care.</p>	<p>Feedback to inform future commissioning of Advanced Practice Developments for the pharmacy workforce</p>	<p>MS CL</p>	<p>Sept 2018</p>	<p>Pilot questionnaire tested. Additional questionnaire for employers developed. Separate permissions from 7HBs and 1 trust was slow to secure so distribution of the questionnaire is 2/12 behind.</p>
<p>4.8 Work with employers (and Wales Deanery) to assess the impact of the change to National Recruitment for Pre-registration Pharmacists via Oriol in partnership with HEE.</p>	<p>Enable decision on whether National Pre-reg. Pharmacist Recruitment Scheme for England and Wales meets the needs of Wales or if an alternative needs to be in place for the end of the MoU in 2019.</p>	<p>MS</p>	<p>Mar 2019</p>	<p>Wales Deanery participating with monthly meetings/teleconferences with WEDS and HEE. Current focus on operational delivery of second round of recruitment.</p>
<p>4.9 Work with the Chief Pharmacists Workforce Modernisation Group to review a map of competency standards that are currently available (from day 1 practice through foundation, advanced and consultant practice) for the pharmacy workforce.</p>	<p>To inform a single strategic and joined up approach to career pathways for pharmacy professionals in Wales for any sector.</p>	<p>MS CP</p>	<p>Dec 2019</p>	<p>High level "career framework" drafted. Baseline map of known competency frameworks to be completed and to link to National/RPS work on career/competency frameworks, Foundation training across ALL sectors, four pillars of Advanced Practice and the Advanced Practice Technician work, ensuring that frameworks are owned by the professional bodies.</p>
<p>4.10 Complete preparatory work for delivery of a new centrally funded, quality managed national core training programme for pre-registration pharmacists in Wales.</p>	<p>A more flexible pharmacist registrant workforce for patient facing roles in any sector.</p>	<p>MS</p>	<p>Mar 2019</p>	<p>Initial meeting with Medicines Information lead in August. MPC Programme Board scheduled for September for sign off of high level content.</p>

## OBJECTIVE 5 - WORKFORCE ANALYTICS AND WORKFORCE PLANNING MODELLING

Further develop workforce analytics and workforce planning modelling capacity for NHS Wales which supports strategic development of the workforce and in particular the 10 Year Workforce Strategy and Primary Care workforce plan

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
<p>5.1 Undertake Workforce / Pay Modelling</p> <ul style="list-style-type: none"> <li>Develop System Dynamic models to model specific workforce specialties. Identify and manage modelling requests.</li> <li>Work with HEE to enhance workforce-modelling techniques and to share workforce intelligence. Develop workforce migration tool.</li> <li>Develop tools that will provide robust quantitative information to enable the commissioning team to challenge individual organisations IMTP.</li> <li>Work collaboratively with Payroll to develop all Wales pay models that will enable scenario generation for the National pay awards.</li> </ul>	<p>Advanced modelling capabilities will enable NHS Wales to carry out more robust workforce scenario planning.</p> <p>Enables NHS Wales to identify cross boarder flow. Closer links with HEE will enable greater knowledge exchange.</p> <p>The tools will provide a method in which to sense check the commission numbers leading to more robust commissioning.</p> <p>To provide WG/NHS Wales negotiation teams with consistent Wales wide pay data. To be the central team for pay modelling.</p>	RC	March 2019	<p>Tender awarded to Decision Analysis Services Ltd (DAS). Training on systems dynamics to commenced in September.</p> <p>Refinement of the retirement tool complete to support the commissioning process. Graphical enhancement underway.</p> <p>Tool developed to support education commissioning and used to inform 2018/19 recommendations across nursing and allied health professional groups.</p> <p>Detailed pay modelling analysis undertaken to support AfC negotiations. All modelling requested delivered to time.</p>
<p>5.2 Further develop the Workforce Performance Dashboard by:</p> <ul style="list-style-type: none"> <li>Ensure monthly reporting of the dashboard to WG.</li> <li>Consider additional metrics which can be reported on a consistent basis across NHS Wales.</li> <li>Work with ESR Central team regarding the development of a worked FTE metric.</li> <li>Work with stakeholders to modify and enhance the analysis within the dashboard.</li> <li>Work with Information Managers to develop a 'local' version of the Dashboard.</li> </ul>	<p>The Dashboard will be used as a vehicle to give workforce data greater visibility in both NHS Organisations and in WG leading to a more holistic view of organisation performance.</p> <p>It will help drive data quality and consistent NHS Wales wide reporting.</p> <p>To ensure WG receive up-to-date workforce performance data to be used in various executive meetings.</p>	RC	March 2019	<p>Continued development of the Dashboard.</p> <p>Monthly Dashboard submitted to WG plus quarterly data for Cabinet Secretary.</p> <p>Update report provided to WODDs, August 2018.</p> <p>Additional analysis created for: Turnover; IMTP; Medical agency.</p> <p>Working with local organisations to understand Worked FTE report</p>

<ul style="list-style-type: none"> <li>Work with BI central team to enhance BI reports</li> </ul>	<p>Developing a 'Local Dashboard' would create a consistent way to report workforce data from ward level up to National level.</p>			<p>Preliminary explorations around local dashboard has commenced.</p>
<p>5.3 Develop high-level national workforce reports that provide workforce insight across a range of metrics.</p> <ul style="list-style-type: none"> <li>Develop and produce 'NHS Wales Workforce Trends' document.</li> <li>Develop a workforce profile report to support workforce planning for Mental Health (2.3).</li> </ul>	<p>To provide stakeholders with a document that sets out NHS Wales' workforce trends.</p> <p>Provide sections of the workforce with a NHS Wales wide perspective of their particular specialty so they are able to make better strategic decisions.</p>	RC	March 2019	<p>On track. Analysis and graphs for workforce trends analysis have been updated which form the basis for the NHS Wales Workforce Trends report.</p> <p>Further analysis reports to be prioritised by HEIW</p>
<p>5.4 Ongoing development of Workforce Benchmarking tools and Workforce Information</p> <ul style="list-style-type: none"> <li>To develop the current suite of tools to ensure availability, accessibility and application of workforce data.</li> <li>To develop subset of the tools for specialty specific projects (e.g. Healthcare Scientists analysis).</li> <li>Ongoing training delivered to individuals and groups on request.</li> <li>Explore the feasibility of web enabling some of the current workforce tools, via a business intelligence platform. i.e. Power BI, Qlickview.</li> </ul>	<p>Enabling individuals to access NHS Wales wide data on the workforce in an easy and use friendly way:</p> <ul style="list-style-type: none"> <li>Gives individuals an opportunity to explore workforce data.</li> <li>Used as an opportunity to promote WEDS.</li> <li>Provide a national workforce dataset that assists organisations to provide context in their workforce plans and other national groups.</li> <li>Web enabling the workforce tools will enable more data and metrics to be show on one tool instead of having three different excel tools.</li> </ul>	RC	March 2019	<p>All Workforce tools have been updated with current data</p> <p>Working with HCS to modify subset of the tool.</p> <p>Initial investigation into web enabling workforce tool. Meeting has taken place with Stats Wales to discuss 'Power BI'</p>
<p>5.5 Provide education and support to key stakeholders (e.g. Workforce planners and Information managers).</p> <ul style="list-style-type: none"> <li>Enhance and maintain information teams SharePoint site and make available and promote the wide range of information tools.</li> <li>Develop training material around data analysis.</li> <li>Facilitate and lead on workshops designed to increase the knowledge of the workforce information managers.</li> <li>Work with Wales Workforce Information managers to enhance data quality.</li> </ul>	<p>Developing key stakeholders around the workforce and data analysis techniques improves NHS Wales' collective understanding of workforce data/information that will lead to better decision making.</p> <p>Working with Information Managers to increase their skills and productivity will enable better local reporting and help to drive data quality.</p>	RC	March 2019	<p>On-going maintenance of the Sharepoint site. Migration tool has been uploaded</p> <p>Training material for the migration tool has been created</p> <p>Provision of leadership to Data Quality sub group of Hire to Retire (ESR) Programme Board including agreement of data quality measures and ongoing work programme. Regular reports to programme board.</p>

## OBJECTIVE 6 – CAREERS/WIDENING ACCESS

To promote the wide range of career opportunities available within the NHS and to promote NHS Wales to be recognised as the employer of choice.

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
6.1 Support the HEIW Board to consider and agree the remit for the management of the careers and widening access agendas	Produce a scoping paper for HEIW to consider options and recommendations for the development of a comprehensive careers service for NHS Wales.	SE	March 2019	Meeting with Deputy CE, HEIW to discuss initial ideas, August 2018.
6.2 Develop a suite of careers resources to support the needs of a diverse population including those at various stages of career choice and careers coaches, advisors and educators.	<p>Bi-spoke NHS Wales's careers website.</p> <p>Working in partnership with careers services and other stakeholders will raise the profile and promote NHS Wales as an employer of choice.</p> <p>Development of a series of webinars for careers coaches, advisers and educators to raise awareness of the 350 roles within health sector.</p>	SE	January 2019	<p>On track. In the process of updating all current content of existing site.</p> <p><i>Your Health Career booklet</i> has been developed specifically for NHS Wales. Copies distributed Health Boards/Trusts.</p> <p>Working with the Careers Development Institute (CDI) to develop a series of 6 webinars. The first webinar delivered on 5<sup>th</sup> July to coincide with the NHS's 70<sup>th</sup> birthday. Next webinar (supported by HB colleagues) to take place in October and will focus on apprenticeship opportunities, work-based learning and the roles of health care support workers.</p>
6.3 Organise and deliver regional bespoke careers events, in partnership with Service.	<p>Delivery of three regional events which will promote health careers opportunities and routes in Wales</p> <p>Showcase the Health Boards/Trusts</p>	SE	March 2019	<p>On track. In the process of organising NHS Wales presence at SkillsCymru Llandudno and Cardiff. To celebrate the NHS's 70<sup>th</sup> birthday, the format of the stand will be altered in order to depict an interactive acute scene. Working with services colleagues and the WHSF to find volunteers to man the stand and provide interactive equipment.</p> <p>Post SkillsCymru 2018 will scope with the NHS Wales Careers Network the potential of running regional NHS Wales specific versions of SkillsCymru.</p>
6.4 Produce an options paper for the HEIW Board to consider establishing an NHS Wales schools competition.	Opportunity to engage schools, raise the profile and promote careers in the health care system as a whole. This	SE	February 2019	On track. In the process of drafting briefing paper for HEIW

	<p>will include raising the profile of careers using STEM subject areas.</p> <p>The process will facilitate earlier access and engagement with students and align with the new education curriculums for wales.</p>			
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**OBJECTIVE 7 - EFFECTIVE COMMUNICATIONS**

Through engagement with our stakeholders and users, ensure that WEDS adopts and embraces the most appropriate and effective communication methods to enable wider access to required information, accessible by all.

Key Deliverables	Outcome/Impact	Lead	Timescales	Progress
7.1 Support a range of national events which promote and develop the NHS workforce	Promotion of existing and developing WEDs resources across Wales. e.g. HPMA roadshows, local and national conferences/workshops	CS	Ongoing	Exhibition stands present at the following: <ul style="list-style-type: none"> <li>• HPMA Wales Roadshow Event</li> <li>• HPMA Conference</li> <li>• CNO for Wales Annual One Day Conference</li> <li>• Academi Wales Summer School</li> <li>• HEIW Staff Event</li> </ul>
7.2 Strengthen collaborative working with other central NHS organisations for example Service Improvement to share capacity/capability of specialist resources.	Resources are used to maximum benefit	CS	Ongoing	Opportunities for collaborative working and sharing taken through membership on all Wales programmes/networks/groups e.g. Joint conference with the Division of Clinical Psychology Wales and Health and Wellbeing Network is arranged for the 7 <sup>th</sup> December 2018.
7.3 Working with the wider NWSSP team to maximise e-communications, embracing new and emerging technology to ensure the wide and diverse audience for the work of the WEDs team is effectively communicated with.	<p>The role, function and resources of WEDs is promoted, marketed and communicated.</p> <p>Tools and resources produced by WEDS and best practice from other sources are readily available, accessible and actively promoted.</p> <p>The WEDs website is maintained and developed ensuring it provides up to date and relevant information.</p> <p>The most effective and appropriate means of communication is</p>	CS	Ongoing	<p>Recently updated and revamped the WEDS SharePoint sites, documents have been updated, and library contents reclassified, to include a catalogue of documents with a search engine.</p> <p>WEDS website is updated regularly, all documents have been given a review date to ensure relevance. The news carousel is refreshed with news items and photos.</p> <p>Together We Care electronic pdf document is an example of products developed to accompany and promote all Wales programmes.</p>

	<p>designed and developed through a range of channels, ensuring ease of access, clarity and consistency.</p> <p>Products, publications, workshop and conference resources are designed and developed.</p>			<p>Range of communication used e.g. for Compendium of Roles and Models – bilingual mp4 video, You tube video for RPL Framework and Toolkit plus QR code and bilingual poster.</p> <p>Range of resources printed and also made available on tablets for events in 7.1.</p>
7.4 Working with the HEIW Transition Programme workstream and the Communications and Engagement workstream to deliver against their aims.	<p>Effective communications and engagement with WEDS staff transitioning into HEIW.</p> <p>Smooth transition from the WEDS website to the HEIW website.</p> <p>Re branding of the WEDS products, resources and promotional items to HEIW new branding.</p>	CS, CM,SG	Ongoing	<p>There have been discussions with WCPPE and the Deanery, any concern/issues have been raised.</p> <p>Part of HEIW programme.</p> <p>All references to WEDS in products have been changed to HEIW (in both English and Welsh). Further work to update the official branding will need to be undertaken.</p>
7.5 Support the Welsh Government to develop the pharmacy narrative for the Train Work Live campaign	A representative suite of cross-sector stories for both pharmacy professional groups.	MS	May 2018	Met with TWL team in June and feedback given to Pharmacy Workforce Modernisation Group in June. Further discussion needed on choice of 'faces' and number of case studies for campaign
7.6 Working with Welsh Government identify options for hosting the content of the current Hospital Pharmacy Training in Wales website information which comply with NHS requirements.	Easily accessible, easy to navigate webpages, marketing centrally funding pharmacy training opportunities in Wales	MS	March 2019	Not yet commenced – awaiting joining with Wales Deanery and WCPPE
7.7 Work with employers (and Wales Deanery) in support of the Welsh Government to develop a national marketing campaign for pre-registration pharmacist training opportunities in Wales.	100% fill rate of advertised pre-reg pharmacist posts through Oriel	MS	September 2018	First National Marketing event opened by CEO, HEIW in Cardiff City Stadium. All Health Boards attended. Employer questionnaire completed. Student feedback from CSPPS received. Feedback to MPC Programme Board September meeting for evaluation and future planning.



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	3.7
<b>PREPARED BY</b>	Roxann Davies, Compliance Officer
<b>PRESENTED BY</b>	Roxann Davies, Compliance Officer
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Update on the Implementation of Audit Recommendations

## **PURPOSE**

This report provides an update to the Audit Committee on the progress of tracking audit recommendations within NWSSP.

In this report, the base position has been taken from the previous report presented to the Audit Committee. Therefore, please note that this report does not include figures and assurance ratings for the audit reports listed on the present Audit Committee agenda.

## **1. INTRODUCTION**

NWSSP records audit recommendations raised by Internal Audit, Wales Audit Office 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. It is important to note that during 2018, the Audit Tracker achieved **Substantial Assurance**, following an Internal Audit.

## **2. CURRENT POSITION**

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

There are **45** reports covered in this review; **15** reports have achieved **Substantial** assurance; **23** reports have achieved **Reasonable** assurance,

**0** reports have been awarded **Limited** assurance or **No Assurance**; and **7** reports were generated with **Assurance Not Applicable**. The reports include **204** recommendations for action.

The following reports **Assurance Not Applicable** assurance ratings and on this basis, they are categorised as assurance not applicable:

- **3** Wales Audit Office Reports
- **2** Internal Audit Advisory Reports
- **1** SGS UK Ltd ISO14001 Audit Report
- **1** Information Commissioner’s Office Training Audit Report

**Table 1 - Summary of Audit Recommendations**

Recommendations		Implemented	Not Yet Due	Revised Deadline	Overdue	Not NWSSP Action
<b>Internal Audit</b>	<b>151</b>	<b>148</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>High</i>	12	11	1	0	0	0
<i>Medium</i>	74	72	2	0	0	0
<i>Low</i>	58	58	0	0	0	0
<i>Not Applicable</i>	7	7	0	0	0	0
<b>External Audit</b>	<b>43</b>	<b>37</b>	<b>4</b>	<b>2</b>		<b>0</b>
<i>High</i>	6	6	0	0	0	0
<i>Medium</i>	36	30	5	1	0	0
<i>Low</i>	1	1	0	0	0	0
<i>Not Applicable</i>	0	0	0	0	0	0
<b>Other Audit</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>High</i>	0	0	0	0	0	0
<i>Medium</i>	0	0	0	0	0	0
<i>Low</i>	0	0	0	0	0	0
<i>Not Applicable</i>	10	10	0	0	0	0
<b>TOTALS:</b>	<b>204</b>	<b>195</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>0</b>

### **3. REVISED DEADLINE FOR APPROVAL**

Two recommendations are approaching their target completion dates and it is requested that the deadlines be extended, by way of Revised Deadlines. Full details of the recommendations are set out in **Appendix B**, for the **APPROVAL** of the Audit Committee.

- Central Team - Ref: 2017.9 - WAO/17/18/2  
WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18  
Requested extension from 31/10/2018 to **30/11/2018**.
- Central Team - Ref: 2018.9 - WAO/17/18/2  
WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18  
Requested extension from 31/10/2018 to **30/11/2018**.

### **4. ANNUAL REVIEW OF ALL RECOMMENDATIONS NOT YET IMPLEMENTED**

In order to provide robust assurances as to the implementation status of recommendations raised to date, **Appendix B** sets out all recommendations that have not yet been fully implemented, for the Committee's information.

Following the Committee meeting, an exercise will be undertaken to review the contents of the tracker in terms of historical audits captured, to provide the Committee with a holistic picture of the most recent reports from 2016-17, onwards.

## **5. RECOMMENDATION**

The Audit Committee are asked to:

- **NOTE** the report findings and progress made to date; and
- **APPROVE** the revised deadlines proposed for recommendation.

**SUMMARY OF LATEST AUDIT REVIEWS BY SERVICE AREA**

Internal Audit Reference	Reference	Directorate	Health Board/Trust	Report Title	Year	Assurance Rating	Recommendations	Implemented	Not Yet Due	Revised Deadline	Overdue	Not NWSSP Action
<b>INTERNAL AUDIT REPORTS</b>												
	CORP/13-14/1	Corporate Services	All Wales	Student Awards Services	2013-14	Substantial	2	2	0	0	0	0
	CORP/14-15/1	Corporate Services	NWSSP	Budgetary Control, Financial Reporting & General Ledger	2014-15	Substantial	1	1	0	0	0	0
	CORP/15-16	Corporate Services	NWSSP	Information Governance	2015-16	Reasonable	5	5	0	0	0	0
	CORP/16-17/1	Corporate Services	NWSSP	Risk Management	2016-17	Reasonable	4	4	0	0	0	0
NWSSP-1718-02	CORP/17-18/1	Corporate Services	NWSSP	Information Governance GDPR	2017-18	Substantial	2	2	0	0	0	0
NWSSP-1718-03	CORP/17-18/2	Corporate Services	NWSSP	Non-Medical Education Training Budget	2017-18	Substantial	3	3	0	0	0	0
NWSSP-1718-12	CORP/17-18/3	Corporate Services	NWSSP	Audit Tracker Review	2017-18	Substantial	2	2	0	0	0	0
NWSSP-1718-16	CORP/17-18/4	Corporate Services	NWSSP	Corporate Governance	2017-18	Substantial	2	2	0	0	0	0
NWSSP-1718-06	CORP/17-18/5	Corporate Services	NWSSP	Surgical Materials Testing Laboratory (SMTL)	2017-18	Reasonable	3	3	0	0	0	0
NWSSP-1718-09	CORP/17-18/6	Corporate Services	NWSSP	Performance Management	2017-18	Reasonable	3	1	2	0	0	0
						<b>TOTAL</b>	<b>27</b>	<b>25</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>
	EMP/14-15/1	Employment Services	All Wales	Recruitment: Qualifications & DBS Checks	2014-15	Substantial	2	2	0	0	0	0
	EMP/15-16/1	Employment Services	WAST	ESR CAATS	2015-16	Substantial	0	0	0	0	0	0
	EMP/15-16/2	Employment Services	BCU	ESR CAATS	2015-16	Substantial	1	1	0	0	0	0
	EMP/15-16/7	Employment Services	Cardiff & Vale/Cwm Taf/PHW/Velindre	Payroll Services	2015-16	Reasonable	9	9	0	0	0	0
	EMP/16-17/2	Employment Services	All Wales	TRAC System	2016-17	Reasonable	3	3	0	0	0	0
NWSSP-1718-10	EMP/17-18/1	Employment Services	All Wales	Payroll Services	2017-18	Reasonable	6	6	0	0	0	0
						<b>TOTAL</b>	<b>21</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	L&R/15-16/1	Legal & Risk	All Wales	Welsh Risk Pool Services	2015-16	Reasonable	2	2	0	0	0	0
						<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	PCS/14-15/2	Primary Care Services	All Wales	Post Payment Verification	2014-15	Substantial	3	3	0	0	0	0
NWSSP-1718-12	PCS/17-18/1	Primary Care Services	All Wales	Contractor Payments	2017-18	Substantial	1	0	1	0	0	0
						<b>TOTAL</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
	PROC/14-15/1	Procurement Services	ABMU	Local Procurement Team	2014-15	Reasonable	4	4	0	0	0	0
	PROC/14-15/2	Procurement Services	Cardiff & Vale	Local Procurement Team	2014-15	Reasonable	4	4	0	0	0	0
NWSSP-1516-19	PROC/15-16/1	Procurement Services	All Wales	Bridgend Stores	2015-16	Reasonable	11	11	0	0	0	0
	PROC/15-16/2	Procurement Services	All Wales	Cwmbran Stores <b>Follow Up</b>	2015-16	Reasonable	4	4	0	0	0	0
	PROC/15-16/3	Procurement Services	Cwm Taf	Local Procurement Team	2015-16	Reasonable	4	4	0	0	0	0
	PROC/15-16/4	Procurement Services	BCU & WAST	Local Procurement Team	2015-16	Reasonable	2	2	0	0	0	0
NWSSP-1516-03	PROC/15-16/5	Procurement Services	All Wales	Central Sourcing	2015-16	Reasonable	7	7	0	0	0	0
NWSSP-1617-06	PROC/16-17/2	Procurement Services	All Wales	Health Courier Services <b>Follow Up</b>	2016-17	Reasonable	2	2	0	0	0	0
	PROC/16-17/3	Procurement Services	All Wales	Supplier Master File <b>Follow Up</b>	2016-17	Reasonable	2	2	0	0	0	0
	PROC/16-17/4	Procurement Services	Velindre/PHW	Local Procurement Team	2016-17	Reasonable	5	5	0	0	0	0
	PROC/16-17/5	Procurement Services	All Wales	Denbigh Stores	2016-17	Reasonable	7	7	0	0	0	0
NWSSP-1718-19	PROC/17-18/1	Procurement Services	ABMU	Carbon Reduction Commitment (CRC) Payment Review	2017-18	Advisory Report	5	5	0	0	0	0
NWSSP-1718-01	PROC/17-18/2	Procurement Services	All Wales	WAO Audit RKC Associates Lessons Learned by NWSSP	2017-18	Advisory Report	2	2	0	0	0	0
NWSSP-1718-11	PROC/17-18/3	Procurement Services	All Wales	Accounts Payable	2017-18	Reasonable	6	6	0	0	0	0
						<b>TOTAL</b>	<b>65</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	SES/15-16/1	Specialist Estates Services	All Wales	Design4Life - BAM	2015-16	Reasonable	5	5	0	0	0	0
	SES/15-16/2	Specialist Estates Services	All Wales	Design4Life - Interserve	2015-16	Substantial	3	3	0	0	0	0
	SES/15-16/3	Specialist Estates Services	All Wales	Mechanical & Electrical Sub Contractors	2015-16	Substantial	11	11	0	0	0	0
	SES/15-16/4	Specialist Estates Services	All Wales	Design4Life - Open Book Audit: Laing O'Rourke	2015-16	Reasonable	4	4	0	0	0	0
						<b>TOTAL</b>	<b>23</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	WORK/15-16/1	Workforce	All Wales	WfIS Core Skills & Training Framework <b>Follow Up</b>	2015-16	Substantial	4	4	0	0	0	0
	WORK/16-17/1	Workforce	All Wales	WfIS ESR OH Bi-Directional Interface	2016-17	Reasonable	4	4	0	0	0	0
NWSSP-1718-17	WORK/17-18/1	Workforce	All Wales	WfIS ESR / Occupational Health Bi-Directional Interface (Immunisations)	2017-18	Substantial	1	1	0	0	0	0
						<b>TOTAL</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WALES AUDIT OFFICE EXTERNAL AUDIT REPORTS</b>												
	WAO/15-16	All Services	All Wales	WAO Review of NWSSP	2015-16	Not Applicable	12	12	0	0	0	0
	WAO/16-17/1	All Services	All Wales	WAO Nationally Hosted NHS IT Systems Assurance Report	2017-18	Not Applicable	28	22	4	2	0	0
	WAO/16-17/2	All Services	All Wales	WAO Management Letter	2016-17	Not Applicable	3	3	0	0	0	0
						<b>TOTAL</b>	<b>43</b>	<b>37</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>OTHER AUDIT REPORTS</b>												
	ICO/17-18	Corporate Services	NWSSP	Information Commissioner's Office (ICO) Training Audit	2017-18	Not Applicable	10	10	0	0	0	0
	ISO14001/18-19	Corporate Services	NWSSP	SGS UK Ltd Audit of ISO14001 Environmental Management System	2018-19	Not Applicable	0	0	0	0	0	0
						<b>TOTAL</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
						<b>TOTAL RECS</b>	<b>204</b>	<b>195</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>0</b>

## APPENDIX B - PROGRESS OF AUDIT RECOMMENDATIONS

ID	Rec No Reference NWSSP Service Customer of Service Report Title Report Year	Status	Issue Identified	Risk Rating	Recommendation	Responsibility for Action	Management Response	Original Deadline	Revised Deadline	Update On Progress Made
<b>CENTRAL TEAM</b>										
1.	2018.9 WAO/17/18/2 Corporate Services - Central Team All Wales WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18	Revised Deadline	The last IT Disaster Recovery (DR) test on the Oracle FMS service was in July 2017. NWSSP plan the annual scheduled IT DR test for every November. However, due to the Oracle FMS hardware upgrade completed in March 2018 this was put on hold until the new IT infrastructure was deployed.	Medium	Schedule and complete an IT Disaster Recovery test on the Oracle FMS service for June or July 2018.	Said Shadi, Associate Programme Director, Central Team	Agreed	31/10/2018	30/11/2018 - Audit Committee to approve	The DR is planned for 24 November - only Velindre University NHS Trust have confirmed they cannot support the testing. All other Health Organisations will support the test, including NWSSP.
2.	2017.9 WAO/17/18/2 Corporate Services - Central Team All Wales WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18	Revised Deadline	Indicators are collected and measured on the delivery and performance of the Oracle FMS service. However, these are not routinely reported to the Oracle Strategy Development Group (STRAD) on a quarterly basis to allow performance against service level targets to be monitored and challenged.	Medium	Prepare a summary dashboard of the key performance indicators of the Oracle FMS service and Central Oracle Team responsibilities, for example, the set up of new suppliers, Oracle transaction times and IT service issue calls raised and closed. Report these performance indicators to the Oracle Strategy Development Group on a quarterly basis for assurance and scrutiny of the FMS Service provided.	Said Shadi, Associate Programme Director, Central Team	Agreed	31/10/2018	30/11/2018 - Audit Committee to approve	The next STRAD meeting will be held at the end of November (date TBC) and the report will be presented during this meeting and will be a standing agenda item on all meetings after this.
3.	2018.11 WAO/17/18/2 Corporate Services - Central Team All Wales WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18	N/D	CTES has not completed and documented a gap analysis assessment of the Oracle FMS to the Information Security Management Standard (ISO 27001) to identify potential improvement areas. It is good security management practice to assess and baseline a comparison to the ISO 27001 standard. CTES should then formally consider and whether the Oracle service aims for a formal ISO27001 accreditation.	Medium	Complete a gap analysis assessment to the Information Security Management Standard (ISO 27001) to identify potential improvement areas. CTES should then formally consider and decide whether the Oracle service aims for a formal ISO27001 accreditation.	Said Shadi, Associate Programme Director, Central Team	Agreed	31/03/2019		The Oracle FMS services are managed and supported by our partners Version 1 Solutions Ltd who are ISO 27001 accredited. This work will be scheduled with Version 1 to progress during 2018-19.
4.	2018.12 WAO/17/18/2 Corporate Services - Central Team All Wales WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18	N/D	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 2000) standard. CTES should consider the benefits to complete accreditation to the Information Technology Service Management (ISO 2000) standard for service management.	Medium	CTES should consider whether it aims to complete accreditation to the Information Technology Service Management (ISO 2000) standard for service management.	Said Shadi, Associate Programme Director, Central Team	Agreed	31/03/2020		Work to obtain ISO 20000 remains on the department's work plan. Work continues to be progressed albeit slowly due to high priority business deliverables. The aim is to achieve accreditation by April 2020.

## APPENDIX B - PROGRESS OF AUDIT RECOMMENDATIONS

CORPORATE SERVICES									
5.	<p>NWSSP-1718-09 1 CORP/17-18/6 Corporate Services NWSSP Performance Management 2017-18</p>	NYD	<p>In facilitating achievement of the IMTP goals and priorities, NWSSP uses KPIs to measure performance and drive progress against key targets. The IMTP contains high-level KPIs to monitor overall NWSSP performance. Each of the divisions then has their own divisional KPIs included within their SDPs. Successful performance and expertise at an individual divisional level is critical. However, it is also necessary to create a balanced and integrated focus across the entire organisation. Whilst the 2018/19 IMTP does identify a number of high-level KPIs intended to monitor overall performance, these KPIs focus almost entirely on the performance of individual divisions and did not include goals common to the organisation, for example customer satisfaction. Our review of these high-level KPIs highlighted that there is no clear link between them and the divisional KPIs. We identified that ten of the 30 high-level KPIs are not included in the relevant SDPs. Of the 20 high-level KPIs that were included, 13 had a different target to the corresponding divisional KPI. We also found that the high-level KPIs only covered five of the 11 divisions (Health Courier Services, Surgical Materials Testing Laboratory, Specialist Estates Services, Digital Workforce Solutions, Central Team eBusiness Solutions and GP Specialty Registrar Lead Employer are not covered by the high-level KPIs). In addition to this, there is no clear link between the divisional KPIs and the content of their SDPs (i.e., the 'key priorities', 'what we will deliver' and 'key milestones' sections). We further noted that:</p> <ul style="list-style-type: none"> <li>-the divisional KPIs are nearly always quantitative (i.e., 'process KPIs'), with few qualitative KPIs (i.e., 'output KPIs') included;</li> <li>-most divisions have a large number of KPIs, many of which are not necessarily critical to performance – for example, five divisions (Central Team eBusiness Services, Digital Workforce Solutions, Employment Services, Primary Care Services and Procurement) had between 10-22 KPIs; and</li> <li>· the divisional KPIs tend to focus on specific aspects of a service and do not provide a balanced overview of performance, for example the Health Courier Services and Employment Services KPIs.</li> </ul> <p>Whilst we did not perform detailed testing on the calculation of the divisional KPIs, we understand from discussions with staff that many of the KPIs are manually calculated and are time consuming to process. In these cases, it is difficult to produce timely information to identify poor performance.</p> <p>Risk: The KPIs do not provide a balanced view of performance against the IMTP. The KPIs may not be effective in identifying poor performance on a timely basis. The high-level KPIs do not promote a balanced and integrated focus across the organisation. This could lead to divisions working with a silo focus within their functional area rather than working together for the good of the organisation.</p>	High	<p>In facilitating achievement of the IMTP goals and priorities, NWSSP uses KPIs to measure performance and drive progress against key targets. The IMTP contains high-level KPIs to monitor overall NWSSP performance. Each of the divisions then has their own divisional KPIs included within their SDPs. Successful performance and expertise at an individual divisional level is critical. However, it is also necessary to create a balanced and integrated focus across the entire organisation. Whilst the 2018/19 IMTP does identify a number of high-level KPIs intended to monitor overall performance, these KPIs focus almost entirely on the performance of individual divisions and did not include goals common to the organisation, for example customer satisfaction. Our review of these high-level KPIs highlighted that there is no clear link between them and the divisional KPIs. We identified that ten of the 30 high-level KPIs are not included in the relevant SDPs. Of the 20 high-level KPIs that were included, 13 had a different target to the corresponding divisional KPI. We also found that the high-level KPIs only covered five of the 11 divisions (Health Courier Services, Surgical Materials Testing Laboratory, Specialist Estates Services, Digital Workforce Solutions, Central Team eBusiness Solutions and GP Specialty Registrar Lead Employer are not covered by the high-level KPIs). In addition to this, there is no clear link between the divisional KPIs and the content of their SDPs (i.e., the 'key priorities', 'what we will deliver' and 'key milestones' sections). We further noted that:</p> <ul style="list-style-type: none"> <li>-the divisional KPIs are nearly always quantitative (i.e., 'process KPIs'), with few qualitative KPIs (i.e., 'output KPIs') included;</li> <li>-most divisions have a large number of KPIs, many of which are not necessarily critical to performance – for example, five divisions (Central Team eBusiness Services, Digital Workforce Solutions, Employment Services, Primary Care Services and Procurement) had between 10-22 KPIs; and</li> <li>· the divisional KPIs tend to focus on specific aspects of a service and do not provide a balanced overview of performance, for example the Health Courier Services and Employment Services KPIs.</li> </ul> <p>Whilst we did not perform detailed testing on the calculation of the divisional KPIs, we understand from discussions with staff that many of the KPIs are manually calculated and are time consuming to process. In these cases, it is difficult to produce timely information to identify poor performance.</p> <p>Risk: The KPIs do not provide a balanced view of performance against the IMTP. The KPIs may not be effective in identifying poor performance on a timely basis. The high-level KPIs do not promote a balanced and integrated focus across the organisation. This could lead to divisions working with a silo focus within their functional area rather than working together for the good of the organisation.</p>	Director of Finance and Corporate Services	<p>Accepted. The risk of being unable to effectively demonstrate the value that NWSSP brings has been included in the Corporate Risk Register over the last few months and actions have been identified to reduce the risk that align to those recommended above. Responsibilities for implementing these actions and in embedding a more effective performance framework are to be reassigned to give more pace to their achievement. As noted above we are already working with CEB Gartner in this area and they are presenting to the SMT in June.</p>	<p>1. 30/06/2018 - Complete 2. 31/12/2018</p>	<p>1. Complete - agreed approach, based on advice for Gartner and assign responsibilities to MR to progress.</p> <p>2. To embed a revised Performance Framework across NWSSP - appointment of Head of IMTP Implementation and Development should help to progress this work.</p>

## APPENDIX B - PROGRESS OF AUDIT RECOMMENDATIONS

6.	NWSSP-1718-09 3 CORP/17-18/6 Corporate Services NWSSP Performance Management 2017-18	NYD	The KPIs are RAG rated, with green indicating a target has been met, amber indicating a near miss and red indicating a target has been missed by a large margin. Our review of the KPI reports to the Senior Management Team throughout 2017/18 highlighted that many of the high-level KPIs were green and performance was well in excess of the target. This may be indicative of targets that are not sufficiently challenging. In addition to this, our high-level review of the divisional KPIs within the 2018/19 SDPs identified that seven of the divisions only have KPI targets for the current year and do not show how they intend to improve performance over the three years of the IMTP. Risk: KPI targets may not be sufficient to drive improvement.	Medium	The KPIs are RAG rated, with green indicating a target has been met, amber indicating a near miss and red indicating a target has been missed by a large margin. Our review of the KPI reports to the Senior Management Team throughout 2017/18 highlighted that many of the high-level KPIs were green and performance was well in excess of the target. This may be indicative of targets that are not sufficiently challenging. In addition to this, our high-level review of the divisional KPIs within the 2018/19 SDPs identified that seven of the divisions only have KPI targets for the current year and do not show how they intend to improve performance over the three years of the IMTP. Risk: KPI targets may not be sufficient to drive improvement.	Director of Finance and Corporate Services	Accepted – this will be considered as part of the overall process of revising and improving the performance framework.	31/12/2018	31/12/2018 - appointment of Head of IMTP Implementation and Development should help to progress this work.
<b>PRIMARY CARE SERVICES</b>									
7.	NWSSP-1718-12 1 PCS/17-18/1 Primary Care Services All Wales Contractor Payments 2017-18	NYD	During testing of a sample of new additions to the dental performers list it was evident that the appropriate checks had not been undertaken in a timely manner for one of the five applications. This dentist had been provisionally included on the List for a period of three months, until 21st June 2017. However appropriate references to allow Primary Care Staff to conclude their checks had not been undertaken within the 3 months provisional period as a result of errors by a member of staff. We were advised that the dentist continued to work for a practice within the Health Board area despite not having the appropriate approval. On 1st December 2017 Primary Care Services staff sought advice from the Health Board upon the realisation that the application had been neglected. Appropriate references were subsequently obtained, and the Health Board agreed to approve the application from 21st June 2017. Risk: Unauthorised applicants work within the Health Board as a result of ineffective checks and authorisations.	Medium	Primary Care Services staff should consider a quarterly review of its master performers lists at a senior level to ensure that any omissions of this nature are detected on a timely basis.	Nicola Phillips - Head of Engagement & Support Services	This omission was picked up by PCS and action has been taken not only to rectify this operational issue but also internal performance protocols have been triggered to address this matter with the responsible member of staff. All teams will be reminded of the need to ensure appropriate documentation is obtained and check lists are accurately completed and approved. Contract Managers will complete a random sample check on a quarterly basis in order to provide evidence that this was an isolated incident. Introduction of this additional quarterly check will commence June 2018 and will be maintained until March 2019. During April 2019 a review of any anomalies identified by this additional check will be completed, enabling PCS to make an informed decision on the continuation of this additional checking process. Initial deadline to inform all staff of requirements = June 2018. Follow up review deadline = April 2019	30/04/2019	
8.	2018.1 5 WAO/17/18/2 Primary Care Services All Wales WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18	NYD	At the time of our fieldwork in March 2018 Primary Care Services has commenced plans to approve the re-procurement for the SQL 2008 server support and maintenance. The SQL server 2008 support and maintenance contract over the Prescription Pricing system server set up expired at the end of February 2018.	Medium	Replace and re-procure the SQL server 2008 support and maintenance contract over the Prescription Pricing system server set up that expired in February 2018.	Dave Hopkins, Director of Primary Care Services	Agreed	01/03/2019	Ongoing Awaiting approval of 2018-19 capital allocation. Extended support for existing servers has been procured. Target to complete by end of extended contract in February 2019.
9.	2018.3 11 WAO/17/18/2 Primary Care Services All Wales WAO Nationally Hosted NHS IT Systems Assurance Report 2017-18	NYD	A Service Level Agreement (SLA) is in place between NWSSP and NWIS for the support and maintenance of the applications and infrastructure, for example, NHAIS. These responsibilities and functions to be completed and delivered for NHAIS service support and service delivery can be made more detailed and documented.	Medium	Clarify and expand the Service Level Agreement with NWIS for the support and maintenance of the NHAIS application and infrastructure.	Dave Hopkins, Director of Primary Care Services	Agreed	31/03/2020	On-going This will be reviewed when options for NHAIS replacement have been confirmed. To be delivered in 2019-20.

## **NHS Wales Shared Services Partnership**

**Audit Committee**

**23 October 2018**

### **Internal Audit Progress Report**

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## 1. INTRODUCTION

The purpose of this report is to highlight progress of the 2018/19 Internal Audit Plan at 17 October 2018 to the Audit Committee, together with an overview of other activity undertaken since the previous meeting.

## 2. PROGRESS AGAINST THE 2018/19 INTERNAL AUDIT PLAN

Number of audits in plan	21
Of which:	
Reported as final	2
Reported as draft	2
In progress	8
At planning stage	6
Not started	3

Progress in respect of each of the reviews in the 2018/19 Internal Audit Plan is summarised at Appendix A.

In addition, we have completed the final 2017/18 audit, GP Trainees, which is included within the agenda for this Audit Committee meeting. The findings and reasonable assurance rating will be taken into account in the 2018/19 Head of Internal Audit Annual Opinion.

## 3. ENGAGEMENT

The following meetings have been attended or advice provided during the reporting period:

- Information Governance Steering Group
- All Wales P2P Group
- Advising the Supplier Maintenance Team on the supplier set-up/amendment process
- Advising Accounts Payable on the process for calculating PSPP figures
- Advising Accounts Payable on the use of secure email for OCR scanning
- Advising Employment Services on the development of KPIs for the payroll helpdesk
- Counter-Fraud Planning Group
- Audit scoping and debrief meetings
- Liaison meetings with senior management

## 4. RECOMMENDATION

The Audit Committee is invited to note the above.

## 2018/19 Internal Audit Plan

Assignment	Draft to Mgt Response (Days)	Status	Rating	Summary of Recommendations				Notes
				High	Medium	Low	N/A	
<b>AUDITS FOR BOTH NWSSP AND INDIVIDUAL HEALTH BOARDS / TRUSTS</b>								
<b>PRIMARY CARE SERVICES</b>								
General Medical Services (GMS)		Work in progress						
General Dental Services (GDS)		Work in progress						
General Ophthalmic Services (GOS)		Work in progress						
General Pharmaceutical Services (including Prescribing)		Work in progress						
<b>EMPLOYMENT SERVICES</b>								
Payroll Services		Work in progress						First tranche testing underway
<b>PROCUREMENT SERVICES</b>								
Purchase to Pay (P2P)		Work in progress						CAAT reports being analysed

Assignment	Draft to Mgt Response (Days)	Status	Rating	Summary of Recommendations				Notes
				High	Medium	Low	N/A	
<b>AUDITS FOR NWSSP</b>								
<b>FINANCE &amp; CORPORATE SERVICES</b>								
Business Continuity Plans		Planning						
Risk Management and Assurance								Scheduled for Q4
BACS Bureau	5	Final	Reasonable	1	1	2		October Audit Committee
Welsh Language Standards		Planning						
Information Governance & GDPR								Scheduled for later in Q3
Welsh Infected Blood Support Scheme		Work in progress						
<b>PROCUREMENT SERVICES</b>								
Cwmbran Stores		Planning						
Health Courier Services	5	Final	Reasonable	1	3	3		October Audit Committee

Assignment	Draft to Mgt Response (Days)	Status	Rating	Summary of Recommendations				Notes
				High	Medium	Low	N/A	
<b>PRIMARY CARE SERVICES</b>								
General Ophthalmic Services (GOS)		Planning						
Patient Medical Records		Planning						
Primary Care Payments System		Planning						Continuing monitoring developments
<b>WORKFORCE &amp; ORGANISATION DEVELOPMENT</b>								
Annual Leave Management		Draft						
Recruitment and Retention (Advisory)		Draft						
<b>IT</b>								
IT Systems – virtualised environment								Scheduled for Q4
<b>CAPITAL &amp; ESTATES</b>								
Property Management		Work in progress						

Assignment	Draft to Mgt Response (Days)	Status	Rating	Summary of Recommendations				Notes
				High	Medium	Low	N/A	
<b>PROJECT MANAGEMENT GROUPS</b>								
WfIS Programme Board: H2R	Ongoing			To sit on Project Board to provide advice on internal controls				
IT Steering Group	Ongoing			To sit on Project Board to provide advice on internal controls				
Information Governance Steering Group	Ongoing			To sit on Project Board to provide advice on internal controls				
Finance Academy P2P Group	Ongoing			To sit on Project Board to provide advice on internal controls				
Audit Tracker Register	Ongoing			Consider the development of audit recommendation tracker functionality within Teammate				
<b>AUDIT MANAGEMENT &amp; REPORTING</b>								
Audit Management & Reporting	Ongoing							

*For Reference: The assurance ratings are defined as follows:*

Assurance rating	Assessment rationale	Guide to Rating
	<p>The Board can take <b>substantial assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with <b>low impact on residual risk</b> exposure.</p>	<p>Few matters arising and are compliance or advisory in nature. No issues about design of policies or procedures or controls. Any identified compliance (O) issues are restricted to a single control objective or risk area rather than more widespread. No high priority audit findings. Few Low or Medium priority findings. Even when taken together any issues have low impact on residual risk exposure even if remaining unresolved.</p>
	<p>The Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with <b>low to moderate impact on residual risk</b> exposure until resolved.</p>	<p>Some matters require management attention in either control design or operational compliance. Any control design (D) limitations are isolated to a single control objective or risk area rather than more widespread. However compliance issues (O) may present in more than one area. Typically High priority findings are rare; but/or some Low or Medium priority findings. Even when taken together these will have low to moderate impact on residual risk exposure until resolved.</p>
	<p>The Board can take <b>limited assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with <b>moderate impact on residual risk</b> exposure until resolved.</p>	<p>More significant audit matters require management attention either in materiality or number. Control design limitations (D) may impact more than one control objective or risk area. Compliance issues (O) may be more widespread indicating non-compliance irrespective of control design. Typically some high priority audit findings have been identified and these are not isolated; and/or several Medium or Low audit findings. Either individually or when taken together these are significant audit matters with moderate impact on residual risk exposure until resolved.</p>

Assurance rating	Assessment rationale	Guide to Rating
	<p>The Board has <b>no assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with <b>high impact on residual risk</b> exposure until resolved.</p>	<p>Significant audit matters require management attention both in terms of materiality and number.</p> <p>Control design limitations (D) impact the majority of control objectives or risk areas. Alternatively compliance issues (O) are widespread indicating wholesale non-compliance irrespective of control design.</p> <p>Several high priority audit findings have been identified in a number of areas; and/or several Medium audit findings.</p> <p>Either individually or when taken together these are significant audit matters with moderate impact on residual risk exposure until resolved.</p>

*For Reference: The priority of the findings and recommendations are as follows:*

<p><b>High</b></p> <p>Poor key control design OR widespread non-compliance with key control</p> <p>PLUS</p> <p>Significant risk to achievement of a system objective OR evidence present of material loss, error or mis-statement</p> <p>Timescale for action- Immediate</p>	<p><b>Medium</b></p> <p>Minor weakness in control design OR limited non-compliance with control</p> <p>PLUS</p> <p>Some risk to achievement of a system objective</p> <p>Timescale for action- Within one month</p>	<p><b>Low</b></p> <p>Potential to enhance design of adequate systems further</p> <p>OR</p> <p>Isolated instances of non-compliance with control with negligible consequences</p> <p>Timescale for action- Within three months</p>
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# Procurement Services Health Courier Services

## Final Internal Audit Report 2018/19

### NHS Wales Shared Services Partnership Audit and Assurance Services

**Private and Confidential**



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<b>Review reference:</b>	NWSSP-1819-01
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<b>Final report issued:</b>	15 <sup>th</sup> October 2018

**Executive sign off:** Mark Roscrow, Director of Procurement Services

**Distribution:** Neil Frow, Managing Director  
Andrew Butler, Director of Finance & Corporate Services  
Tony Chatfield, Head of Operations

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**Committee:** Velindre NHS Audit Committee for NWSSP

## **ACKNOWLEDGEMENTS**

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.

### **Please note:**

This audit report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit Committee. Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit and Assurance Services, and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the NHS Wales Shared Services Partnership and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

## **1. EXECUTIVE SUMMARY**

### **1.1 Introduction**

A review of Health Courier Services (HCS) operated by NHS Wales Shared Services Partnership (NWSSP) Procurement Services has been completed in line with the 2018/19 Internal Audit Plan.

Health Courier Services (HCS) has been providing clinical logistical services to all Health Board partners in NHS Wales for over 25 years and has a workforce in the region of 140 people. It co-ordinates, sorts, delivers and collects up to 7 million items of mail/medical notes a year and transports over 8 million pathology items a year across NHS Wales in accordance legislative requirements.

HCS transferred from the Welsh Ambulance Service Trust (WAST) to NWSSP in April 2015 following a decision by the Ambulance Service Reform Programme.

The audit has sought to provide assurance that Health Courier Services are complying with regulatory requirements and that key controls are operating effectively.

### **1.2 Scope and Objectives**

The overall objective of this audit was to evaluate and determine the adequacy of the governance arrangements within HCS.

The objectives reviewed were:

- there is a formal governance structure in place that is operating effectively;
- risks are identified, recorded and escalated to the NWSSP Senior Management Team where appropriate;
- regulatory requirements are identified and complied with, with appropriate procedures in place to ensure staff comply with legislation;
- risk assessments are undertaken and are up to date;
- sickness absence is managed in accordance with the All Wales Sickness Policy; and
- employees are compliant with training requirements.

### **1.3 Associated Risks**

The risks considered in the review were as follows:

- i. risks are not identified, recorded and escalated where appropriate;
- ii. non-compliance with regulatory requirements, including training required by staff; and
- iii. failure to manage sickness absence resulting in non-compliance with the All Wales Sickness Policy and potential overpayment of sick pay.

## 2 CONCLUSION

### 2.1 Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with the management of Health Courier Services is **Reasonable Assurance**.

RATING	INDICATOR	DEFINITION
<b>Reasonable assurance</b>		The Trust can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with <b>low to moderate impact on residual risk</b> exposure until resolved.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

### 2.2 Assurance Summary

The summary of assurance given against the individual review areas is described in the table below:

					
<b>1</b>	Governance Arrangements			✓	
<b>2</b>	Risk Management		✓		
<b>3</b>	Regulatory Requirements			✓	
<b>4</b>	Risk Assessments				✓
<b>5</b>	Sickness Absence			✓	

					
<b>6</b>	Training compliance			✓	

\* The above ratings are not necessarily given equal weighting when generating the audit opinion.

### 2.3 Design of System / Controls

The findings from the review have highlighted four issues that are classified as weaknesses in the system/control design for Health Courier Services. These are identified in Appendix A as (D).

### 2.4 Operation of System / Controls

The findings from the review have highlighted four issues that are classified as weaknesses in the operation of the designed system/control for Health Courier Services. These are identified in Appendix A as (O).

### 2.5 Summary of Recommendations

The audit findings, recommendations are detailed in **Appendix A** together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below:

Priority	H	M	L	Total
<b>Number of recommendations:</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>7</b>

### 3 SUMMARY OF AUDIT FINDINGS

We identified the following examples of good practice:

- there are regular SMT meetings in place, which are well attended and cover key areas such as finance, operational issues and workforce;
- there is a clear governance structure in place, with regular weekly reporting from supervisors to the Head of Operations, which provides a clear oversight of operational and staff issues;
- there is a detailed induction process in place, with easy reference materials in place for operational staff;
- regulatory compliance is assessed via an external annual audit, with actions recorded and progressed; and
- core skills training compliance for HCS staff are high, with an average of 93%.

We identified one **high** priority finding:

#### Health & Safety audit visits

As part of Health & Safety audits (HSG65), a visit to Denbigh Stores in October 2017 highlighted a number of issues that resulted in a 73% compliance rate, which highlighted a number of actions that would need to be completed to ensure compliance with Health & Safety standards. There remain actions outstanding (21 out of 79) which have not yet been addressed, with an update last provided in January 2018. These actions relate to a number of areas, including DSE assessments, the roll out of safe systems of work and the process for defective equipment. We are advised that this is mainly due to management sickness absence, and there is a meeting booked with the Health, Safety and Risk Manager to discuss progress.

#### **See Finding 1 at Appendix A**

We identified three **medium** priority findings:

#### Risk management

There is a risk register in place. However, this has not been updated since November 2017. The risk register is not routinely reviewed by the Senior Management Team (SMT). There is evidence of discussion of risk within quarterly review meetings, Health and Safety (H&S) meetings, and the HCS assurance map is provided to the SMT. There is also a register of risk assessments in place which covers key H&S risks. We are advised that there is work ongoing relating to risk management within HCS.

## **See Finding 2 at Appendix A**

### HCS Meetings

There is a clear governance structure within HCS, with regular SMT meetings taking place, where key areas such as operations, workforce and training, are discussed. Whilst updates are provided on areas included in the agenda, there is no formal recording of actions, so there is a risk that actions may not be completed.

There are area manager meetings and finance business meetings within HCS. However, these have not been taking place regularly over the last six months. It should be noted that finance and operational issues are included within the SMT so it is unlikely that any key issues will be missed. However, these meetings should take place regularly. The actions from the area manager meetings are allocated, with most escalated to SMT. However, as with the SMT meetings, these are not captured within an action log and it is difficult to confirm if these have been completed / followed up.

## **See Finding 3 at Appendix A**

### Training

There is a comprehensive induction process in place within HCS, and records were available to show that staff have completed their induction.

Core skills training compliance within HCS at the end of August 2018 was high, with an average of 93%. There are training databases held with each area manager, which detail the staff in the area and the training required, such as Moving and Handling and Radioactive Material Training. The databases identify training requirements for all staff, with each area adapting these as required. There are a number of gaps in completion of the databases, which we are advised is largely due capacity issues to update current training. If these databases are not updated and maintained there is a risk that staff may be undertaking their roles without the appropriate training and awareness.

## **See Finding 4 at Appendix A**

We identified three **low** priority findings:

### Health Board and Trust meetings

The Head of Operations attends a number of All Wales meetings, where Health Boards are present. However, the formality and frequency of meetings with HCS and Health Boards and Trusts varies across the regions. For example, in Cardiff & Vale there are quarterly meetings with minutes documented. For Aneurin Bevan University Health Board arrangements are more informal but there is evidence of regular contact with them relating to operational issues. Whilst it is recognised that Health Boards and Trusts may prefer to operate in different ways, management should aim to formalise meetings to ensure consistency across HCS.

### **See Finding 5 at Appendix A**

### Incidents

Incidents are reported via Datix, and are reviewed by supervisors or area managers as appropriate. A quarterly report is produced by the Health, Safety and Risk Manager, which details operational and health and safety incidents for Procurement services, including HCS. This report is also discussed in the six monthly Health & Safety meeting with the HCS SMT and Health, Safety and Risk Manager.

Discussions with the Health, Safety and Risk Manager, and a review of information from Datix, confirms that incidents are being reported within 3 days:

Type of incident	Total numbers for April – September 2018	Reported within 3 days
Health & Safety	11	10 (91%)
Organisational & Operational	39	37 (95%)

All Health & Safety incidents require an incident investigation form to be completed. We reviewed a sample of three Health & Safety incidents. All three had evidence of investigation and lessons learned on Datix. However, the following exceptions were identified:

- one did not have the formal feedback form at the back of the incident form signed; and
- one did not have all evidence included and did not have the formal feedback form completed.

### **See Finding 6 at Appendix A**

### Sickness

Sickness is monitored by management on a regular basis, with weekly updates provided to the Head of Operations. There were 63 instances of staff sickness between January and August 2018 (excluding those staff still absent at the time of testing and those terminated). A sample of six absences were reviewed, with completed Return to Work and self and medical certificates requested for the absence.

All had the relevant documentation in place. However, one of the absences was not managed in line with the sickness policy. The ESR record for the member of staff showed one sickness period. However, they had one absence (covered by a medical certificate), returned to work for one day then went absent for another period, which was covered by a self-certificate. Notes on the Return to work form advise that the employee returned too soon. We have advised management that this should have been recorded as two separate absences.

**See Finding 7 at Appendix A**

## MANAGEMENT ACTION PLAN

<b>Finding 1: Health &amp; Safety Audit actions (D)</b>	<b>Risk</b>
<p>As part of Health &amp; Safety audits (HSG65), a visit to Denbigh Stores in October 2017 highlighted a number of issues that resulted in a 73% compliance rate, which highlighted a number of actions that would need to be completed to ensure compliance with Health &amp; Safety standards. There remain actions outstanding (21 out of 79) which have not yet been addressed, with an update last provided in January 2018. These actions relate to a number of areas, including DSE assessments, the roll out of safe systems of work and the process for defective equipment. We are advised that this is mainly due to management sickness absence, and there is a meeting booked with the Health, Safety and Risk Manager to discuss progress.</p>	<p>Non-compliance with Health &amp; Safety requirements.</p>
<b>Recommendation 1</b>	<b>Priority level</b>
<p>Actions should be reviewed and addressed to ensure compliance with Health &amp; Safety requirements.</p>	<p><b>High</b></p>
<b>Management Response 1</b>	<b>Responsible Officer/ Deadline</b>
<p>Manager has now returned.</p> <p>Action log has been reviewed, and action plan in place to remedy outstanding issues</p>	<p>HSG65 Joan Roberts</p> <p>End of November 18</p>

<b>Finding 2: Risk Management (D &amp; O)</b>	<b>Risk</b>
<p>There is a risk register in place. However, this has not been updated since November 2017. The risk register is not routinely reviewed by the Senior Management Team (SMT). There is evidence of discussion of risk within quarterly review meetings, Health and Safety (H&amp;S) meetings, and the HCS assurance map is provided to the SMT. There is also a register of risk assessments in place which covers key H&amp;S risks. We are advised that there is work ongoing relating to risk management within HCS.</p>	<p>Risks are not identified, recorded and appropriately managed.</p>
<b>Recommendation 2</b>	<b>Priority level</b>
<p>The risk register should be reviewed and updated on a regular basis and discussed at each SMT meeting.</p>	<p><b>Medium</b></p>
<b>Management Response 2</b>	<b>Responsible Officer/ Deadline</b>
<p>Recent concentration has been on operational risk, to enable issues to be removed from the master register.</p> <p>Significant work has been undertaken on Operational Risk, Risk Assessments and Operational Flashcards/handbooks to improve operational functions</p> <p>Now that work is completed, the register was reviewed at our SMT on 4<sup>th</sup> October and updated. Format will need to be cross checked and Assurance map updated to reflect updates</p>	<p>HCS SMT</p> <p>End of Nov 18</p>

<b>Finding 3: HCS meetings (D)</b>	<b>Risk</b>
<p>There is a clear governance structure within HCS, with regular SMT meetings taking place, where key areas such as operations, workforce and training, are discussed. Whilst updates are provided on areas included in the agenda, there is no formal recording of actions, so there is a risk that actions may not be completed.</p> <p>There are area manager meetings and finance business meetings within HCS. However, these have not been taking place regularly over the last six months. It should be noted that finance and operational issues are included within the SMT so it is unlikely that any key issues will be missed. However, these meetings should take place regularly. The actions from the area managers meetings are allocated, with most escalated to SMT. However, as with the SMT meetings, these are not captured and it is difficult to confirm if these have been completed / followed up.</p>	<p>Inadequate records of actions at senior management team meetings.</p>
<b>Recommendation 3</b>	<b>Priority level</b>
<p>Actions from the SMT and area managers meetings should be captured in an action log that should be discussed at subsequent meetings, to ensure that no actions are missed.</p> <p>Area Manager meetings and Finance Business meetings take place on a regular basis, with actions captured and carried out.</p>	<p><b>Medium</b></p>
<b>Management Response 3</b>	<b>Responsible Officer/ Deadline</b>
<p>It is recognised and accepted that actions were not listed as part of an action log, and actions have been reliant on written notes embedded in minutes.</p>	<p>Tony Chatfield / Kim Griffiths / Gildas Griffiths</p>

<p>The finance and business issues have been picked up in the HCS SMT, and this has mainly been due to manager capacity.</p> <p>Following actions have been taken -</p> <ul style="list-style-type: none"><li>- Business Meeting dates are set</li><li>- Area Manager meeting dates are set</li></ul> <p>Action log has been added to the Main HCS SMT template</p>	<p>Immediate</p>
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<b>Finding 4: Training (O)</b>	<b>Risk</b>
<p>There is a comprehensive induction process in place within HCS, and records were available to show that staff have completed their induction.</p> <p>Core skills training compliance within HCS at the end of August 2018 was high, with an average of 93%. There are training databases held with each area manager, which detail the staff in the area and the training required, such as Moving and Handling and Radioactive Material Training. The databases identify training requirements for all staff, with each area adapting these as required. There are a number of gaps in completion of the databases, which we are advised is largely due to capacity issues to update current training.</p>	<p>Staff may be undertaking their roles without appropriate training and awareness.</p>
<b>Recommendation 4</b>	<b>Priority level</b>
<p>Training databases should be reviewed to ensure all included the relevant statutory training and they should be updated with current staff training details.</p>	<b>Medium</b>
<b>Management Response 4</b>	<b>Responsible Officer/ Deadline</b>
<p>We would not see this as a medium risk, but as low.</p> <p>Areas of high operational risk are managed with processes to ensure staff that aren't familiarised do not undertake certain functions e.g. Radioactive isotopes</p> <p>A review will be undertaken with proposal to standardise capture of training updates so format is consistent across Wales, with a developed section for local requirements</p> <p>ESR and reporting from the H&amp;S manager (which are produced monthly) are used to monitor core skills compliance, and routinely discussed at every SMT</p>	<p>Tony Chatfield/ Gildas Griffiths</p> <p>HCS Management Team</p> <p>End of Feb 19</p>

<b>Finding 5: Health Board and Trust meetings (D)</b>	<b>Risk</b>
<p>The Head of Operations attends a number of All Wales meetings, where Health Boards are present. However, the formality and frequency of meetings with HCS and Health Boards and Trusts varies across the regions. For example, in Cardiff &amp; Vale there are quarterly meetings with minutes documented. For Aneurin Bevan University Health Board arrangements are more informal but there is evidence of regular contact with them relating to operational issues.</p>	<p>Formal arrangements are not in place with Health Boards and Trust.</p>
<b>Recommendation 5</b>	<b>Priority level</b>
<p>Arrangements with Health Boards and Trusts should be formalised to ensure that there are regular meetings in place and that these are documented.</p>	<p><b>Low</b></p>
<b>Management Response 5</b>	<b>Responsible Officer/ Deadline</b>
<p>This will be an ongoing work stream, and will be picked up as part of the business planning day and recognised issue of Engagement</p>	<p>Tony Chatfield                      HCS SMT                      Dec 18</p>

<b>Finding 6: Incidents (O)</b>	<b>Risk</b>
<p>Between April and September 2018 there were 11 Health &amp; Safety incidents reported. All Health &amp; Safety incidents require an incident investigation form to be completed.</p> <p>We reviewed a sample of three Health &amp; Safety incidents. All three had evidence of investigation, however the following exceptions were identified:</p> <ul style="list-style-type: none"> <li>• one did not have the formal feedback form at the back of the incident form signed; and</li> <li>• one did not have all evidence included and did not have the formal feedback form completed.</li> </ul>	<p>Relevant information for incidents is not captured within Datix.</p>
<b>Recommendation 6</b>	<b>Priority level</b>
<p>Staff responsible for investigating Health &amp; Safety incidents should be reminded to attach all relevant information to Datix and ensure the formal feedback section of the investigation form is completed and signed.</p>	<p><b>Low</b></p>
<b>Management Response 6</b>	<b>Responsible Officer/ Deadline</b>
<p>It should be noted that the specific cases viewed were unfinished documents. The feedback forms are part of the IO Pack as standard.</p> <p>HCS will work with the H&amp;S lead for NWSSP, to re-issue reminders in process for Datix completion and feedback, together with discussion on guidance on the incomplete documents. This will be a listed as an agenda item at the next HCS H&amp;S meeting.</p> <p>This will be subject to ongoing monitoring.</p>	<p>Tony Chatfield</p> <p>Dec 18</p>

<b>Finding 7: Sickness (O)</b>	<b>Risk</b>
<p>There were 63 instances of staff sickness between January and August 2018 (excluding those staff still absent at the time of testing and those terminated). A sample of six absences were reviewed, with completed Return To Work / fit notes requested for the absence.</p> <p>One of the absences was not managed in line with the sickness policy. The ESR record for the member of staff showed one sickness period. However, they had one absence (covered by a medical certificate), returned for one day then went absent for another period, which was covered by a self-certificate. Notes on the Return to Work form advise that the employee returned too soon. We have advised management that this should have been recorded as two separate absences.</p>	<p>Sickness is not managed in line with the All Wales Sickness Policy.</p>
<b>Recommendation 7</b>	<b>Priority level</b>
<p>Management should be reminded of the need to adhere to the All Wales Sickness Policy.</p>	<p><b>Low</b></p>
<b>Management Response 7</b>	<b>Responsible Officer/ Deadline</b>
<p>The workforce policy for absence does not count where more than half a shift is worked as a sick day. In this specific case, the individual did not complete more than half of the first day back (2 hours), prior to retuning absent, so therefore this is a single period of absence.</p> <p>What was required was a new Doctors certificate, not self-certification. This is recognised and has already been picked up locally with the line manager in June 2018, prior to the audit.</p>	<p>Tony Chatfield</p> <p>HCS Managers/Supervisors</p> <p>Complete</p>

## Audit Assurance Ratings

 **Substantial Assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.

 **Reasonable Assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.

 **Limited Assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.

 **No Assurance** - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

## Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
<b>High</b>	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

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

## **Confidentiality**

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## **Audit**

The audit was undertaken using a risk-based auditing methodology. An evaluation was undertaken in relation to priority areas established after discussion and agreement with NWSSP. Following interviews with relevant personnel and a review of key documents, files and computer data, an evaluation was made against applicable policies procedures and regulatory requirements and guidance as appropriate.

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A basic aim is to provide proactive advice, identifying good practice and any systems weaknesses for management consideration.

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Shared Services  
Partnership  
Audit and Assurance Services

## **Central Team eBusiness Services**

### **BACs Bureau Review**

**Final Report**

**2018/19**

**NHS Wales Shared Services Partnership**

**Audit and Assurance Services**

**Private and Confidential**

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Appendix B	Assurance Opinion & Action Plan Risk Rating
Appendix C	Responsibility Statement

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**ACKNOWLEDGEMENTS**

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## **1. EXECUTIVE SUMMARY**

### **1.1 Introduction and Background**

The Central Team eBusiness Services (CTeS) within NHS Wales Shared Services Partnership (NWSSP) was awarded the status of BACs Approved Bureau in January 2018 following satisfactory inspection by BACs Payment Schemes Limited. The processing of BACs payment files for NHS Wales transferred from Version 1 to the CTeS BACs Bureau (referred to as 'BACs Bureau' herein) in March 2018.

Prior to the awarding the status of BACs Approved Bureau, an initial inspection by BACs was completed. This focused on the systems and controls in place within Accounts Payable at Companies House, with an assumption that the other four regions follow the same operational procedures for creating and processing payment files. The CTeS Service Manager therefore requested that Internal Audit review the processes in place at these four regions, in anticipation of an inspection by BACs Payment Schemes Limited during 2018/19.

The BACs Bureau undertake the processing of payment transaction files that are received from the following processing regions:

- NWSSP Primary Care Services (PCS) – Matrix House, Swansea;
- NWSSP PCS - Cwmbran House, Pontypool;
- NWSSP Procurement Services Accounts Payable (AP) – Alder House, St Asaph;
- NWSSP Procurement Services AP – Companies House, Cardiff; and
- Hywel Dda University Health Board (H DUHB) Finance Team – Carmarthen.

NWSSP Primary Care Services and Procurement Services prepare the files for payments to primary care contractors and suppliers on behalf of Welsh Health Boards and Trusts. H DUHB's Finance team prepares files for payments to suppliers.

### **1.2 Scope and Objectives**

The overall objective of this audit was to evaluate and determine the adequacy of the key controls in place within the BACs Bureau and processing regions for the preparation, authorisation and processing of payment files.

The review sought to confirm the existence and operation of key controls, as

determined by the CTeS Project Manager, in the preparation of payment files across the NWSSP PCS Matrix House, NWSSP PCS Cwmbran House, NWSSP AP Alder House and HDUHB Carmarthen processing regions.

The specific objectives of the review were to ensure that:

#### CTeS BACs Bureau

- signed service level agreements were in place within each processing region;
- payment files were processed only on receipt of a fully completed and appropriately authorised BACs Payment Transmission Request Form;
- BACs Payment Transmission Request Forms were validated against the payment files;
- payment files were processed in accordance with the timescales set out within the service level agreements;

#### Processing Regions

- the process for the preparation and submission of payment files was documented and consistent, where appropriate, with BACs Bureau processes;
- physical security controls were in place to restrict access to office areas where payment files are prepared and system access is appropriately restricted;
- segregation of duties existed between the individuals responsible for the supplier master file maintenance, invoice entry and preparation of payment files;
- checks were undertaken to confirm that the payment file was valid and correct, prior to sending to the BACs Bureau for processing; and
- business continuity arrangements were in place for the preparation of payment files in the event of office access/IT/staffing issues.

We also sought to establish the progress made implementing the recommendations that arose from the BACs Payment Services Limited inspection in January 2018. This was via discussion only with the Project Manager – no testing was undertaken to verify implementation.

## 2 CONCLUSION

We confirmed the presence of key controls at each of the five processing regions and observed examples of best practice in the preparation and processing of BACS payment files.

However, we identified some minor issues in the administration of BACS Payment Transmission Request Forms, weakness in the segregation of duties at AP North Wales and note that the working instructions within AP Companies House require updating.

These findings are summarised within section 3 and included within the management action plan at appendix A.

Some minor issues were also identified in relation to HDUHB Finance. These have been communicated separately with the Health Board's Head of Financial Accounting.

There were 16 actions arising from the BACS inspection undertaken in January 2018. The status of these actions at the time of audit, as per the log maintained by CTeS, is as follows:

Status	No.
Complete	11
In Progress	4
Outstanding	1

### 2.1 Summary of Management Actions

The findings and management actions are detailed in Appendix A.

A summary of these actions is outlined below:

Priority	Total
<b>Number of actions:</b>	<b>4</b>

### 3 FINDINGS

We visited each of the five processing regions and the CTeS BACS Bureau to observe the preparation and processing of payment files and confirm the existence of key controls identified by the CTeS Programme Manager.

The following examples of good practice were identified:

- Signed service level agreements in place between the BACS Bureau and each processing region.
- Comprehensive procedural guidance within CTeS for the operation of the BACS Bureau.
- BACS payment files are only processed by CTeS on receipt of an appropriately authorised BACS Payment Transmission Request form, and a full audit trail is maintained.
- Robust physical security arrangements at the BACS Bureau and each processing region.
- Appropriate segregation of duties in the maintenance of supplier/contractor bank details and access to prepare payment files within NWSSP Primary Care Services, NWSSP Accounts Payable at Companies House and HDUHB Finance.
- Authorisation to proceed with a payment run is obtained from the Health Board/Trust prior to processing within Accounts Payable (this is not applicable to Primary Care Services).
- Checks are undertaken within NWSSP Primary Care Services, NWSSP Accounts Payable and HDUHB Finance to ensure that BACS requests submitted to the CTeS are consistent with the payment files.
- System controls prevent or identify data validation issues such as missing or invalid bank account details.

The following issues were identified within NWSSP CTeS BACS Bureau and processing regions. Management actions are detailed within Appendix A:

#### 1. BACS Payment Transmission Request Forms

A sample of 20 BACS Payment Transmission Requests was reviewed and the following observations made:

- instances where the requestor/authoriser (within processing regions) signatures were very simplistic such as a series of straight lines, and therefore could be easily forged and/or difficult to attribute to a particular individual;
- the specimen signature form for an approver in the NWSSP AP North Wales processing region had not been authorised;

- three forms with an incorrect or missing submission ID number; and
- two instances where the total value of transactions as per the BACS Payment Transmission Request had been amended by hand due to typographical error or invoices removed from the payment run. In both cases the hand-written value agreed to the value of the payment file.

**See Management Action 1 at Appendix A**

## **2. Procedures: AP Companies House**

The working instructions for AP at Companies House have not been updated to reflect that BACS processing has transferred from Version 1/Patech to CTeS BACS Bureau.

**See Management Action 2 at Appendix A**

## **3. Segregation of Duties: Oracle Access – AP Alder House**

The 2017/18 internal audit of Accounts Payable (report NWSSP-1718-11 refers) identified that two AP Managers had access to the supplier master file via a generic login, so segregation of duties was potentially compromised.

The audit recommended that the SMTSUPERVISOR generic login should be changed to view-only or end-dated with immediate effect. This was not actioned until August 2018, following our request for evidence that the recommendation had been implemented. Segregation of duties controls had therefore been compromised during this time, as the AP Managers concerned had access to prepare/submit payment runs and amend the supplier master file.

**See Management Action 3 at Appendix A**

## **4. Responsibility for HDUHB AP Payment Runs**

HDUHB retained responsibility for processing payment runs following the transfer of Accounts Payable to NWSSP in 2012. We understand this was partly due to the Health Board wanting to retain responsibility for checking invoices over £10k prior to payment. During observation of a payment run we noted that these checks were not undertaken and the Finance Officer subsequently confirmed that they ceased when his predecessor left in December 2017.

It may therefore be opportune to review the devolved arrangement with the Health Board, with a view to transferring responsibility for HDUHB payment runs to NWSSP AP.

**See Management Action 4 at Appendix A**

## MANAGEMENT ACTION PLAN

### Finding 1: BACs Payment Transmission Request Forms (O)

### Risk

A sample of 20 BACS Payment Transmission Requests was reviewed and the following observations made:

Fraudulent or erroneous BACS payment requests may be processed by the BACS Bureau, potentially resulting in financial loss.

- instances where the requestor/authoriser (within processing regions) signatures were very simplistic such as a series of straight lines, and therefore could be easily forged and/or difficult to attribute to a particular individual;
- the specimen signature form for an approver in the NWSSP AP North Wales processing region had not been authorised;
- three forms with an incorrect or missing submission ID number; and
- two instances where the total value of transactions as per the BACS Payment Transmission Request had been amended by hand due to typographical error or invoices removed from the payment run. In both cases the hand-written value agreed to the value of the payment file.

### Management Action 1

### Priority level

BACs 'Transmission Request' forms that have been amended by hand should not be accepted by the BACS Bureau. The identified specimen signature form should be reviewed and authorised.

**Medium**

### Management Response 1

### Responsible Officer/ Deadline

Internal procedures have been updated so that any forms amended by hand will not be accepted. All specimen signatures have been reviewed and authorised.

Catherine Williams, Service Operations Manager  
5<sup>th</sup> October 2018

<b>Finding 2: Policies &amp; Procedures – AP Companies House</b>	<b>Risk</b>
The working instructions for AP at Companies House have not been updated to reflect that BACS processing has transferred from Version 1/Patech to CTeS BACS Bureau.	Procedural guidance is incorrect which could cause confusion or error in the processing of BACS payment files.
<b>Management Action 2</b>	<b>Priority level</b>
Working instructions for AP at Companies House should be updated to reflect the new process for submitting BACS payment files to the CTeS BACS Bureau.	<b>Medium</b>
<b>Management Response 2</b>	<b>Responsible Officer/ Deadline</b>
The working instructions for AP at Companies House have been updated.	Russell Ward, Head of Accounts Payable  Complete

<b>Finding 3: Segregation of Duties – Oracle System Access, AP North Wales</b>	<b>Risk</b>
<p>The 2017/18 internal audit of Accounts Payable (report NWSSP-1718-11 refers) identified that two AP Managers have access to the supplier master file via a generic login, so segregation of duties is potentially compromised.</p> <p>The Supplier Maintenance Team (SMT) Team Leader had requested view only access in June 2017 for the purpose of checking bank account amendment alerts. However, full access was granted in error by eEnablement. The AP Managers and SMT Team Leader were seemingly unaware of this.</p> <p>The audit recommended that the SMTSUPERVISOR generic login should be changed to view-only or end-dated with immediate effect. This was not actioned until in August 2018, following our request for evidence that the recommendation had been implemented. Segregation of duties controls has therefore been compromised during this time, as the AP Managers concerned had access to prepare/submit payment runs and amend the supplier master file.</p>	<p>Segregation of duties is compromised thereby increasing the risk of fraud.</p>
<b>Management Action 3</b>	<b>Priority level</b>
<p>Management should review the supplier master file audit log to confirm that no fraudulent additions/amendments have been made using the generic login.</p>	<b>Medium</b>
<b>Management Response 3</b>	<b>Responsible Officer/ Deadline</b>
<p>eEnablement agree with a recommendation to review all Supplier Master Records amended by Oracle generic users. This review will happen before the 1<sup>st</sup> November 2018 and reported back to Internal Audit before that date.</p> <p>*NB: The Oracle report only identifies the <u>creator</u> and the <u>last</u> person to action a record</p>	<p>Rick Searing, Head of eEnablement November 2018</p>

<b>Finding 4: Responsibility for HDUHB Payment Runs</b>	<b>Risk</b>
<p>HDUHB retained responsibility for processing payment runs following the transfer of Accounts Payable to NWSSP in 2012, we understand this was partly due to the Health Board wanting to retain responsibility for checking invoices over £10k prior to payment.</p> <p>During observation of a payment run we noted that these checks were not undertaken and the Finance Officer subsequently confirmed that they ceased when his predecessor left in December 2017. It may therefore be opportune to review the devolved arrangement with the Health Board.</p>	<p>Inconsistent arrangements for the processing of AP payment runs across NHS Wales.</p>
<b>Management Action 4</b>	<b>Priority level</b>
<p>Management should review the devolved arrangement for AP payment runs with HDUHB with a view to transferring responsibility to NWSSP AP.</p>	<p><b>Low</b></p>
<b>Management Response 4</b>	<b>Responsible Officer/ Deadline</b>
<p>NWSSP and HDUHB will be discussing the transfer of AP payment runs in the next month</p>	<p>Russell Ward, Head of Accounts Payable</p> <p>30 November 2018</p>

## Audit Assurance Ratings



**Substantial assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.



**Reasonable assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.



**Limited assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.



**No Assurance** - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved

## Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
<b>High</b>	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

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## **Workforce & Organisational Development**

### **GP Specialty Training Registrars**

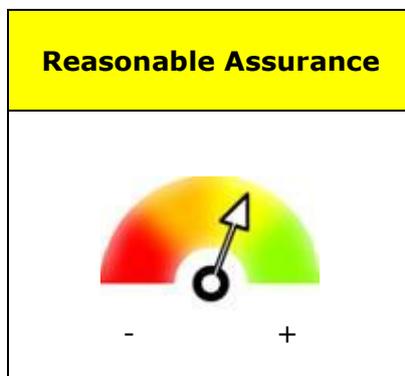
#### **Final Internal Audit Report**

**2017/18**

#### **NHS Wales Shared Services Partnership**

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Appendix A	Management Action Plan
Appendix B	Audit Assurance Ratings & Recommendation Priorities
Appendix C	Responsibility Statement

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Sophie Corbett, Audit Manager

**Committee:** Velindre NHS Audit Committee for NWSSP

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## **1. EXECUTIVE SUMMARY**

### **1.1 Introduction**

A review of the arrangements in place for the administration and management of GP Specialty Training Registrars ('GP trainees') within NHS Wales Shared Services Partnership (NWSSP) has been completed in line with the 2017/18 Internal Audit Plan.

On 4<sup>th</sup> February 2015 NWSSP became the lead employer for GP trainees within NHS Wales, enabling all GP trainees to be employed by a single employer for the duration of their training. Key benefits of this include:

- Only one set of employment checks required for time spent in health board and GP practice settings (i.e. inclusion on the Medical Performers List)
- One contract of employment
- Consistent HR and payroll management for the duration of their training, including:
  - pre-employment ("on-boarding") checks and contracts for new starters
  - policies & procedures
  - absence management
  - occupational health
  - salary payments

Obligations of NWSSP, NHS Wales Health Boards, NHS Wales GP Practices and the Wales Deanery are documented within tripartite service level agreements.

The audit has sought to provide assurance to the NWSSP that appropriate arrangements are in place for the administration and management of GP Specialty Registrars.

### **1.2 Scope and Objectives**

The overall objective of this audit was to evaluate and determine the adequacy of the arrangements in place for the administration and management of GP trainees.

The specific objectives reviewed were:

- new starters, leavers and changes are accurately and promptly processed by Medical Workforce based on the information received from the Deanery system, 'Intrepid';

- pre-employment “on-boarding” checks are undertaken for new trainees in compliance with the NHS Employment Checks standards;
- absence is managed in accordance with the policies and procedures formally adopted by Velindre NHS Trust;
- checks are undertaken to ensure that trainee information held on the ESR system is consistent with the Intrepid system; and
- invoices and payments in respect of GP trainees are promptly and accurately processed.

The audit will only review the role of Medical Workforce in the processing of GP trainee starters, leavers and changes and will not include processes undertaken by Employment Services, as these will be reviewed as part of the annual Payroll Services audit.

### **1.3 Associated Risks**

The risks considered in the review were as follows:

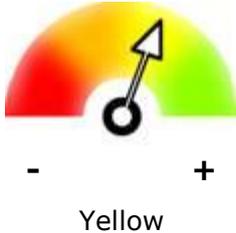
- i. New starters, leavers and changes are not processed promptly or accurately resulting in incorrect payments made to GP trainees;
- ii. GP trainees commence training posts without the appropriate level of pre-employment checks to verify qualifications, DBS clearance, ID and right to work in the UK;
- iii. Information held in the ESR system is inconsistent with the Intrepid system; and
- iv. Failure to recover the pay and non-pay costs associated with GP trainees resulting in financial loss to the organisation.

## 2 CONCLUSION

### 2.1 Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with GP Specialty Training Registrars is **Reasonable Assurance**.

RATING	INDICATOR	DEFINITION
<b>Reasonable Assurance</b>		The Board can take <b>reasonable assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with <b>low to moderate impact on residual risk</b> exposure until resolved.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

### 2.2 Assurance Summary

The summary of assurance given against the individual review areas is described in the table below:

					
<b>1</b>	Starters, Leavers & Changes			✓	
<b>2</b>	Pre-Employment Checks				✓
<b>3</b>	Absence Management		✓		
<b>4</b>	Information Consistency in ESR & Intrepid				✓
<b>5</b>	Invoicing & Payments				✓

*\* The above ratings are not necessarily given equal weighting when generating the audit opinion.*

### 2.3 Design of System / Controls

The findings from the review have highlighted no issues that are classified as weaknesses in the system/control design for the management of GP Specialty Training Registrars.

### 2.4 Operation of System / Controls

The findings from the review have highlighted four issues that are classified as weaknesses in the operation of the designed system/control for the management of GP Specialty Training Registrars. These are identified in Appendix A as (O).

### 2.5 Summary of Recommendations

The audit findings, recommendations are detailed in **Appendix A** together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below:

Priority	H	M	L	Total
<b>Number of recommendations:</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>4</b>

### 3 SUMMARY OF AUDIT FINDINGS

We identified the following examples of good practice:

- 100% checking to ensure the completeness and accuracy of position information transferred from Intrepid into ESR for new starters and rotation.
- Starters, leavers and changes are processed in a timely manner.
- Robust process for the calculation of monthly training grant payments and income relating to pay, travel and expenses.

We identified one **high** priority finding:

#### Recording & Management of Sickness Absence

Sample testing of seven sickness absence episodes identified the following issues:

- No documentation was received for three episodes of sickness. There was no corresponding sickness absence on ESR for one of these – the Senior Medical Workforce Advisor informed that it had been recorded on the sickness tracker in error, and the absence instead related to ongoing maternity leave. In another case, we were provided with documentation relating to a different absence to the one sampled and noted that this episode had not been recorded on ESR.
- Incomplete documentation for one episode of long term sickness, where the last fit note on file expired in June 2018.
- Monthly returns from the trainee's line managers were not available for four episodes. We were able to confirm that the episodes had been correctly recorded on ESR for three of these, based on the dates on the sickness documentation (we did not receive any documentation for the fourth).
- Sickness absence triggers had been breached in three cases. However, there was no evidence that first/second/third formal interviews had been held, as required by the All Wales Sickness Absence Policy. A long term sickness review meeting had been held for one. We noted that the outcome letter sent to the trainee stated an incorrect absence start date.

**See Finding 1 at Appendix A**

We identified one **medium** priority finding:

## Training and Employment Contracts

There are two separate contracts covering GP Practice and Hospital placements. Trainees are required to sign both documents and return to Medical Workforce. Sample testing of 20 new starters identified the following:

- Signed Committee of General Practice Education (COGPED) and Medical & Dental (hospital) contracts could not be located for five starters
- Two starters did not have a signed Medical & Dental contract, but did have a signed COGPED contract
- One starter did not have a signed COGPED contract, but did have a signed Medical & Dental contract

### **See Finding 2 at Appendix A**

We identified two **low** priority findings:

#### GP Trainee Database

The 'Master GPST Database' is intended to be used to monitor completion of key tasks in the on-boarding/rotation process. However, the document is not maintained so information is incomplete and not reliable.

Sample testing of new starters identified instances where signed contracts and signed appointment letters were not available on the personal files (so it is assumed that they haven't been received). Maintaining the Master GPST Database with the dates tasks have been completed or key documents issues/received would facilitate identification and follow-up of outstanding information.

### **See Finding 3 at Appendix A**

#### New Appointment Form

The New Appointment Form (NAF) is used for new GP trainees. It is an excel based form with built in controls to restrict visibility of the employees bank details and record electronic "sign-off" of the employee declaration and line manager approval by means of NADEX ID.

The Medical Workforce Administrator advised that in some cases the macros within the NAF have to be disabled to enable the GP trainee to complete the form, in which case the confidentiality and NADEX sign-off controls don't operate. This means that:

1. Completed forms are returned to Medical Workforce unsigned by the GP trainee. We were informed that emails are not retained as evidence of submission by the GP trainee.
2. Medical Workforce have visibility of, and in some cases access to amend, the GP trainee's bank details.
3. In some cases Medical Workforce may have access to amend employee and position details within the form, which gives rise to the risk of 'ghost' employees.
4. Medical Workforce have to re-enable the macros and complete the employee declaration to enable the form to be submitted to Payroll for processing.

There are safeguards in place against the risk of fraud or error including:

- Reliance on the GP Trainees to contact payroll if they are not paid; and
- Reconciliations undertaken by finance, which we have reviewed, would identify any individuals on the payroll system but not on the Primary Care Services records.

As existing NHS employees, all GP trainee applicants should have an NHS email address and NADEX ID. The feasibility of requiring the GP trainee to provide their NHS email address for the purpose of receiving and completing the NAF, and requiring sign-off of the employee declaration via NADEX ID should be explored. This would reduce the risks associated with the macro-disabled forms.

**See Finding 4 at Appendix A**

## MANAGEMENT ACTION PLAN

### Finding 1: Recording and Management of Sickness Absence (O)

### Risk

Sickness episodes are recorded on a sickness tracker spreadsheet and subsequently the ESR system by Medical Workforce, on receipt of the monthly absence return and sickness documentation (i.e. self-certificate, fit notes) from the trainee's line manager.

Sickness absence is not managed in accordance with the NWSSP Sickness Absence Policy.

A sample of seven episodes of sickness absence was selected from the sickness tracker spreadsheet to establish whether each episode had been correctly recorded on ESR, sickness documentation has been received and that sickness absence is being managed in accordance with the NWSSP Sickness Absence Policy. The following issues were identified:

Failure to record absence on ESR may result in overpayment of sick pay.

- i. No documentation was received for three episodes of sickness. There was no corresponding sickness absence on ESR for one of these – the Senior Medical Workforce Advisor informed that it had been recorded on the sickness tracker in error, and the absence instead related to ongoing maternity leave. In another case, we were provided with documentation relating to a different absence to the one sampled and noted that this episode had not been recorded on ESR.
- ii. Incomplete documentation for one episode of long term sickness, where the last fit note on file expired in June 2018.
- iii. Monthly returns from the trainee's line managers were not available for four episodes. We were able to confirm that the episodes had been correctly recorded on ESR for three of these, based on the dates on the sickness documentation (we did not receive any documentation for the fourth).
- iv. Sickness absence triggers had been breached in three cases however there was no evidence that first/second/third formal interviews had been held, as required by the

<p>NWSSP Sickness Absence Policy. A long term sickness review meeting had been held for one. We noted that the outcome letter sent to the trainee stated an incorrect absence start date.</p>	
<p><b>Recommendation 1</b></p>	<p><b>Priority level</b></p>
<p>1. GP Trainee line managers should be reminded of the requirement to send sickness documentation and monthly absence returns to Medical Workforce. Documentation not received should be followed up.</p> <p>2. All episodes of sickness absence must be recorded on the ESR system.</p> <p>3. Sickness absence history should be monitored to identify when triggers are breached. Formal interviews should be held and documented in accordance with the NWSSP Sickness Absence Policy.</p>	<p style="text-align: center;"><b>High</b></p>
<p><b>Management Response 1</b></p>	<p><b>Responsible Officer/ Deadline</b></p>
<p>Feedback on individual cases raised above:</p> <ul style="list-style-type: none"> <li>i. When looking at the individual concerned the manager had completed the sickness return as "ongoing" but it was in fact extended mat leave. This is now corrected.</li> <li>ii. We have been chasing this trainee for a latest fit note as it expired in June 2018. No communication received, employee on half pay and believed to be in Canada which is where her family are. LJ will chase up for an urgent update.</li> <li>iii. Unfortunately previous post holder had not saved monthly return to correct file therefore unable to locate. Going forward all returns will be sent to "singleleademployer" action point address.</li> </ul>	<p>Complete</p> <p>Louisa Jones – 1<sup>st</sup> of November</p> <p>Louisa Jones - Immediate</p>

<p>iv. Due to workloads there has been some delays in managing sickness absence, since June 2018 we have introduced a monthly compliance report which identifies absences triggers which will help us progress with informal/formal stages of policy.</p> <p>We have introduced a tracker where we monitor receipt of monthly returns and will chase up those outstanding together with any sickness documentation. This is updated on the tracker and details are then entered into ESR.</p> <p>We are investigating a roll out ESR to practices so they can input data for the trainees, at present we receive sickness information a month after the trainee has been absent, if ESR is used by practices this will help us manage sickness in a timely manner.</p>	<p>Louisa Jones - Complete</p> <p>Louisa Jones – Ongoing. Quarterly Review with Deputy WOD to commence January 2019</p> <p>Louisa Jones / Learning &amp; Development / Jan 2019</p>
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Finding 2: Training & Employment Contracts (O)	Risk
<p>There are two separate contracts covering GP Practice and Hospital placements:</p> <ol style="list-style-type: none"> <li>1. Committee of General Practice Education (COGPED) contract of employment for General Practice placements</li> <li>2. Medical &amp; Dental (hospital) contract</li> </ol> <p>Trainees are required to sign both documents and return to Medical Workforce. Sample testing of 20 new starters from the August 2017 and February 2018 rotations identified the following:</p> <ul style="list-style-type: none"> <li>• Signed COGPED and Medical &amp; Dental contracts could not be located for five starters</li> <li>• Two starters did not have a signed Medical &amp; Dental contract, but did have a signed COGPED contract</li> <li>• One starter did not have a signed COGPED contract, but did have a signed Medical &amp; Dental contract</li> </ul>	<p>No evidence of agreement to the terms and conditions of employment, resulting in a weakened position in the event of legal action.</p>
Recommendation 2	Priority level
<p>Signed contracts must be obtained and held on the individual's personal files as confirmation of agreement to the terms and conditions of the COGPED and M&amp;D contracts.</p>	<p><b>Medium</b></p>

<b>Management Response 2</b>	<b>Responsible Officer/ Deadline</b>
<p>We ask all trainees to sign and return all contracts. A reminder is sent to those not returned and a further reminder sent stating “further to our previous correspondence, we note that you have not signed and returned a copy of COGPEG/medical &amp; dental contracts and therefore assume that you are in agreement with the terms and conditions that govern this employment”.</p> <p>We will ensure going forward that a copy of the email is saved in the individual’s personal file.</p>	<p>Louisa Jones - Ensure saved to file for next group of trainees commencing in Feb 2019.</p>

<b>Finding 3: Master GPST Database (O)</b>	<b>Risk</b>
<p>The Master GPST Database is intended to be used to monitor completion of key tasks in the on-boarding/rotation process. However, the document is not maintained so information is incomplete and not reliable.</p> <p>Sample testing of new starters identified instances where signed contracts and signed appointment letters were not available on the personal files (so it is assumed that they haven't been received). Maintaining the Master GPST Database with the dates tasks have been completed or key documents issues/received would facilitate identification and follow-up of outstanding information.</p>	<p>Failure to identify and follow-up key documents or information not received from GP trainees, such as signed contracts of employment.</p>
<b>Recommendation 3</b>	<b>Priority level</b>
<p>The Master GPST Database should be maintained as an up-to-date and accurate record of the completion of key tasks in the on-boarding process. Incomplete tasks or missing information should be identified and acted upon accordingly.</p>	<p><b>Low</b></p>
<b>Management Response 3</b>	<b>Responsible Officer/ Deadline</b>
<p>The master database is a spreadsheet that was created by the Team to help keep track of trainees who are recruited. The last recruitment checking was undertaken by Employment Services and as such all checks for the August 2018 cohort have yet to be downloaded from Trac and saved in trainees' personal file. Once this is complete - the spreadsheet will be updated.</p> <p>Ensure going forward that the spreadsheet is kept up to date.</p>	<p>Louisa Jones – 1<sup>st</sup> November for August rotation</p> <p>Louisa Jones - Feb 2019 for next rotation.</p>

<b>Finding 4: New Appointment Form (O)</b>	<b>Risk</b>
<p>The New Appointment Form (NAF) is used for new GP trainees. It is an excel based form with built in controls to restrict visibility of the employees bank details and record electronic "sign-off" of the employee declaration and line manager approval by means of NADEX ID.</p> <p>The Medical Workforce Administrator advised that in some cases the macros within the NAF have to be disabled to enable the GP trainee to complete the form, in which case the confidentiality and NADEX sign-off controls don't operate. This means that:</p> <ol style="list-style-type: none"><li>1. Completed forms are returned to Medical Workforce unsigned by the GP trainee. We were informed that emails are not retained as evidence of submission by the GP trainee.</li><li>2. Medical Workforce have visibility of, and in some cases access to amend, the GP trainees bank details.</li><li>3. In some cases Medical Workforce may have access to amend employee and position details within the form, which gives rise to the risk of 'ghost' employees.</li><li>4. Medical Workforce have to re-enable the macros and complete the employee declaration to enable the form to be submitted to Payroll for processing.</li></ol>	<p>No confirmation that the employee details provided on the enrolment form are correct, therefore increasing the risk of fraud or error.</p>

<b>Recommendation 4</b>	<b>Priority level</b>
<p>GP trainee applicants who are existing NHS employees should have an NHS email address and NADEX ID. The feasibility of requiring the GP trainee to provide their NHS email address for the purpose of receiving the enrolment form, and requiring sign-off of the employee declaration via NADEX ID should be explored. This would reduce the risks associated with macro-disabled forms.</p> <p>Where NADEX sign-off of the employee declaration is not possible, the email should be retained on the individual's personal file as evidence that the form was submitted by the named GP trainee.</p>	<p><b>Low</b></p>
<b>Management Response 4</b>	<b>Responsible Officer/ Deadline</b>
<p>Agree as above. Workforce to explore with payroll department to review the current macros set due to the ongoing problems. In the meantime, all emails will be sent to the trainee's personal file.</p>	<p>Louisa Jones – 1<sup>st</sup> of November</p> <p>Louisa Jones - Ensure emails are saved to trainees' file for next set of starters due in Feb 2019.</p>

## Audit Assurance Ratings

 **Substantial Assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.

 **Reasonable Assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.

 **Limited Assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.

 **No Assurance** - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

## Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
<b>High</b>	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

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

## **Confidentiality**

This report is supplied on the understanding that it is for the sole use of the persons to whom it is addressed and for the purposes set out herein. No persons other than those to whom it is addressed may rely on it for any purposes whatsoever. Copies may be made available to the addressee's other advisers provided it is clearly understood by the recipients that we accept no responsibility to them in respect thereof. The report must not be made available or copied in whole or in part to any other person without our express written permission.

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## **Audit**

The audit was undertaken using a risk-based auditing methodology. An evaluation was undertaken in relation to priority areas established after discussion and agreement with NWSSP. Following interviews with relevant personnel and a review of key documents, files and computer data, an evaluation was made against applicable policies procedures and regulatory requirements and guidance as appropriate.

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Where a control objective has not been achieved, or where it is viewed that improvements to the current internal control systems can be attained, recommendations have been made that if implemented, should ensure that the control objectives are realised/ strengthened in future.

A basic aim is to provide proactive advice, identifying good practice and any systems weaknesses for management consideration.

## **Responsibilities**

Responsibilities of management and internal auditors:

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we may carry out additional work directed towards identification of fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, cannot ensure fraud will be detected. The organisation's Local Counter Fraud Officer should provide support for these processes.

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GIG  
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Partneriaeth  
Cydwasaethau  
Gwasanaethau Archwilio a Sicrwydd

Shared Services  
Partnership  
Audit and Assurance Services

<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	6.1
<b>PREPARED BY</b>	Roxann Davies, Compliance Officer
<b>PRESENTED BY</b>	Roxann Davies, Compliance Officer
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Health and Care Standards Self-Assessment Action Plan 2018

## PURPOSE

To provide the Committee with a summary of the **APPROVED** Health and Care Standards Self-Assessment Action Plan, in accordance with Welsh Government's Health and Care Standards Framework for NHS Wales, **FOR INFORMATION ONLY.**

An Action Plan has been developed to strengthen compliance against the Standards, which links into the wider well-being agenda and aligns with the programme of work in place to achieve the Corporate Health Standard.



# Health and Care Standards Self-Assessment - Action Plan 2018

No.	Action	Standard	Responsibility	RAG Status/ Deadline
1.	Improving the performance management framework and developing meaningful key performance indicators into our integrated reporting mechanisms (IMTP, Annual Review, Sustainable Development Statement)	Governance, Leadership and Accountability	Head of Finance Head of IMTP	Ongoing
2.	Influencing updates of the corporate policies and procedures suite held by Velindre University NHS Trust to align with the Corporate Health Standard (e.g. smoking, substance abuse, alcohol)	Governance, Leadership and Accountability	Workforce & OD Corporate Services	Ongoing
3.	Working towards attaining the Corporate Health Standard, Bronze Award	Staff and Resources	Workforce & OD Corporate Services	Ongoing
4.	Review the profile of our diverse workforce and promote this through communications channels	Staff and Resources	Workforce & OD	Ongoing
5.	Analysing the Staff Survey 2018 data in relation to key themes around staff health and well-being to develop a strategic picture	Governance, Leadership and Accountability	Workforce & OD Corporate Services	Ongoing
6.	Developing a staff well-being forum to promote best practice and encourage events and initiatives to be shared locally, identifying colleagues who can act as Champions to lead on topics in which they are interested (e.g. cycling, running, gym exercise, choir, "buddies" to anyone wishing to cease smoking, etc)	Staff and Resources	Workforce & OD Corporate Services	Ongoing
7.	Integration of health and well-being questions into the Trust-wide Travel Survey 2018, which informs the Travel Plan Action Plan for the Active Travel Act 2013	Staying Healthy	Corporate Services	Ongoing
8.	Strengthening our Equality Integrated Impact Assessment Process through development of supporting guidance, reviewing the set-up of the remote panel and hosting workshop sessions	Governance, Leadership and Accountability	Corporate Services	Ongoing
9.	Explore collaboration opportunities for delivering training courses on mindfulness, stress management and well-being and assessing funding streams available	Staying Healthy	Workforce & OD	Ongoing
10.	Strengthening our Corporate Induction offering for new starters to the organisation for health and well-being	Staying Healthy	Workforce & OD Corporate Services	Ongoing
11.	Alignment of Workforce & Organisation Development with WEDS/HEIW going forward to influence better communications on All-Wales campaigns	Governance, Leadership and Accountability	Workforce & OD	Ongoing
12.	Explore benchmarking exercise with NHS Wales organisations	Governance, Leadership and Accountability	Corporate Services	Ongoing
13.	Utilise anonymous case studies and examples across our workforce and involve staff who express an interest by capturing existing employee-led health and well-being activities into the evidence (e.g. charity runs, sports followed, voluntary work, etc)	Staff and Resources	Workforce & OD Corporate Services	Ongoing

# Health and Care Standards Self-Assessment - Action Plan 2018



<b>MEETING</b>	Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership
<b>DATE</b>	23 October 2018
<b>AGENDA ITEM</b>	6.2
<b>PREPARED BY</b>	Roxann Davies, Compliance Officer
<b>PRESENTED BY</b>	Roxann Davies, Compliance Officer
<b>RESPONSIBLE HEAD OF SERVICE</b>	Andy Butler, Director of Finance and Corporate Services
<b>TITLE OF REPORT</b>	Audit Committee Forward Plan 2018-20

<b>PURPOSE</b>
To provide a summary of items expected to be presented at forthcoming Audit Committee meetings, scheduled for 2018-20.

Month	Standing Items	Audit Reports	Governance	Annual Items
<b>Q3 2018/19</b> <b>23 October 2018</b>  <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	<b>Internal Audit</b> As outlined in the Internal Audit Operational Plan	Governance Matters  Tracking of Audit Recommendations  Corporate Risk Register	Health & Care Standards Action Plan  Review of Assurance Mapping and Risk Appetite Statement  Benchmarking of Audit Committee Effectiveness  Annual Review of Audit Recommendations Not Yet Implemented
<b>Q4 2018/19</b> <b>22 January 2019</b>  <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	<b>External Audit</b> Wales Audit Office Proposed Audit Work  <b>Internal Audit</b> As outlined in the Internal Audit Operational Plan	Governance Matters  Tracking of Audit Recommendations  Corporate Risk Register	Pre-meet between Audit Committee Chair, Independent Members, Internal and External Auditors and Local Counter Fraud  Review of Standing Orders for the Shared Services Partnership Committee  Review of Raising Concerns (Whistleblowing) Policy  Board Assurance Framework  Draft Integrated Medium Term Plan (IMTP) Summary & Overview

<p><b>Q1 2019/20</b> <b>9 April 2019</b></p> <p><i>The Fendrod Room, 3<sup>rd</sup> Floor, NWSSP Matrix House, Northern Boulevard, Matrix Park, Swansea Enterprise Park, Swansea, SA6 8RE</i></p>	<p>Minutes &amp; Matters Arising</p> <p>External Audit Position Statement</p> <p>Internal Audit Progress Report</p> <p>Counter Fraud Position Statement</p>	<p><b>Internal Audit</b> As outlined in the Internal Audit Operational Plan</p> <p>Head of Internal Audit Opinion</p> <p>Review of Internal Audit Operational Plan</p>	<p>Governance Matters</p> <p>Tracking of Audit Recommendations</p> <p>Corporate Risk Register</p>	<p>Audit Committee Effectiveness Survey</p> <p>Annual Governance Statement</p> <p>Caldicott Principles Into Practice Annual Report</p> <p>Counter Fraud Self-Review Submission Tool</p> <p>Counter Fraud Work Plan</p> <p>Counter Fraud Annual Report</p> <p>Integrated Medium Term Plan (IMTP)</p>
<p><b>Q2 2019/20</b> <b>9 July 2019</b></p> <p><i>Boardroom NWSSP HQ, Unit 4/5 Charnwood Court, Heol Billingsley, Parc Nantgarw, Cardiff, CF15 7QZ</i></p>	<p>Minutes &amp; Matters Arising</p> <p>External Audit Position Statement</p> <p>Internal Audit Progress Report</p> <p>Counter Fraud Position Statement</p>	<p><b>External Audit</b> Wales Audit Office Nationally Hosted IT Systems Report</p> <p>Wales Audit Office Management Letter</p> <p><b>Internal Audit</b> As outlined in the Internal Audit Operational Plan</p> <p>Quality Assurance &amp; Improvement Programme</p>	<p>Governance Matters</p> <p>Tracking of Audit Recommendations</p> <p>Corporate Risk Register</p>	<p>Head of Internal Audit Opinion and Annual Report</p> <p>Results of Audit Committee Effectiveness Survey</p> <p>Health and Care Standards Self-Assessment</p> <p>Review of Risk Management Protocol</p> <p>Review of Audit Committee Terms of Reference</p> <p>Audit Committee Annual Report</p> <p>NWSSP Annual Review</p>

<p> <b>Q3 2019/20</b>  <b>22 October 2019</b> </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>Minutes &amp; Matters Arising</p> <p>External Audit Position Statement</p> <p>Internal Audit Progress Report</p> <p>Counter Fraud Position Statement</p>	<p><b>Internal Audit</b></p> <p>As outlined in the Internal Audit Operational Plan</p>	<p>Governance Matters</p> <p>Tracking of Audit Recommendations</p> <p>Corporate Risk Register</p> <p>Annual Review of Audit Recommendations Not Yet Implemented</p>	<p>Minutes &amp; Matters Arising</p> <p>Health &amp; Care Standards Action Plan</p> <p>Review of Assurance Mapping and Risk Appetite Statement</p> <p>Benchmarking of Audit Committee Effectiveness</p>
<p> <b>Q4 2019/20</b>  <b>21 January 2020</b> </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>Minutes &amp; Matters Arising</p> <p>External Audit Position Statement</p> <p>Internal Audit Progress Report</p> <p>Counter Fraud Position Statement</p>	<p><b>External Audit</b></p> <p>Wales Audit Office Proposed Audit Work</p> <p><b>Internal Audit</b></p> <p>As outlined in the Internal Audit Operational Plan</p>	<p>Governance Matters</p> <p>Tracking of Audit Recommendations</p> <p>Corporate Risk Register</p>	<p>Pre-meet between Audit Committee Chair, Independent Members, Internal and External Auditors and Local Counter Fraud</p> <p>Review of Standing Orders for the Shared Services Partnership Committee</p> <p>Review of Raising Concerns (Whistleblowing) Policy</p> <p>Board Assurance Framework</p> <p>Draft Integrated Medium Term Plan (IMTP) Summary &amp; Overview</p>