

Shared Services Partnership Committee

Thu 23 March 2023, 10:00 - 12:00

Teams



Agenda

10:00 - 10:05
5 min

1. Agenda

1.1. Welcome and Introductions

Tracy Myhill, Chair

1.2. Apologies for absence

Tracy Myhill, Chair

1.3. Declarations of Interest

Tracy Myhill, Chair

1.4. Draft minutes of meeting held on 19 January 2023

Tracy Myhill, Chair

 NWSSP Partnership Cttee Minutes Jan 23 APPROVED.pdf (9 pages)

1.5. Action Log

Tracy Myhill, Chair


 1.5 Action Log March 2023.pdf (1 pages)

10:05 - 10:20
15 min

2. Matters Arising

2.1. Recruitment Modernisation Update

Gareth Hardacre, Director of People and OD

 2.1 SSPC - Recruitment Modernisation - March 2023.pdf (5 pages)

10:20 - 10:35
15 min

3. Chair/Managing Director's Reports

3.1. Chair's Report

Verbal Tracy Myhill, Chair

3.2. Managing Director's Update

Neil Frow, Managing Director

 3.2 SSPC MD Update March 23.pdf (6 pages)

10:35 - 11:10
35 min

4. Items for Approval/Endorsement

4.1. Duty of Quality

Ruth Alcolado, Medical Director

 4.1 Duty of Quality SSPC 23 March 2023.pdf (8 pages)

4.2. Telephony and Contact Centre (Chair's Action)


Andy Butler, Director of Finance & Corporate Services

 4,2 Chairs Action - Telephony Contract.pdf (6 pages)

4.3. Energy Procurement

Andy Butler, Director of Finance & Corporate Services

 4.3 NHS Wales Energy Supply Position Paper.pdf (5 pages)

 4.3 Appendix 1 - Terms of Reference.pdf (6 pages)

 4.3 Appendix 2 - Board Paper.pdf (6 pages)

 4.3 Appendix 3 - Ratification Paper.pdf (8 pages)

11:10 - 11:25
15 min

5. Items for Noting

5.1. Chair's Appraisal

Gareth Hardacre, Director of People & OD

 5.1 Report to SSPC - Chairs Appraisal - March 23.pdf (3 pages)

5.2. Overpayments Policy

Andy Butler, Director of Finance & Corporate Services

 5.2 SSPC Overpayments update March 23.pdf (8 pages)

11:25 - 11:55
30 min

6. Governance, Performance & Assurance

6.1. Finance Report

Andy Butler, Director of Finance & Corporate Services

 6.1 SSPC Finance Report February 2023.pdf (10 pages)

6.2. People & OD Report

Gareth Hardacre, Director of People & Organisational Development

 6.2 SSPC People and OD Report March 2023.pdf (8 pages)

6.3. Performance Report

Andy Butler, Director of Finance & Corporate Services

 6.3 SSPC Performance Report Cover March 23.pdf (3 pages)

 6.3 SSPC Performance Report March 23.pdf (22 pages)

6.4. IMTP Q3 Progress Report


Andy Butler, Director of Finance & Corporate Services

 6.4 SSPC Q3 IMTP Cover Paper.pdf (2 pages)

 6.4 NWSSP Q3 IMTP Report FINAL.pdf (13 pages)

6.5. PMO Highlight Report


Andy Butler, Director of Finance & Corporate Services

 6.5 PMO Bi Monthly Report March 2023 Final SSPC.pdf (25 pages)

6.6. Corporate Risk Register

Peter Stephenson, Head of Finance & Business Development

 6.6 Corporate Risk Register March 2023.pdf (4 pages)


 6.6 SSPC Risk Register March 2023.pdf (3 pages)

11:55 - 12:00
5 min

7. Items for Information


7.1. Audit Committee Assurance Report

Andy Butler, Director of Finance and Corporate Services

 7.1 23032023 SSPC Audit Committee Assurance Report.pdf (6 pages)

7.2. Finance Monitoring Returns

Andy Butler, Director of Corporate and Finance Services

 7.2 Monit Return Comm Month 10 NWSSP 2022-23.pdf (8 pages)

 7.2 Monit Return Comm Month 11 NWSSP 2022-23.pdf (7 pages)

12:00 - 12:00
0 min

8. Any Other Business

12:00 - 12:00
0 min

9. Date and Time of Next Meeting

Thursday, 18th May, 2023 10am (Teams)

NHS WALES SHARED SERVICES PARTNERSHIP COMMITTEE

MINUTES OF MEETING HELD THURSDAY 19 JANUARY 2023 10:00 – 12.00 Meeting held on TEAMS Part A - Public

ATTENDANCE		DESIGNATION	ORGANISATION
MEMBERS:			
Tracy Myhill	(TM)	Chair	NWSSP
Neil Frow	(NF)	Managing Director	NWSSP
Huw Thomas	(HT)	Director of Finance	Hywel Dda UHB
Sarah Simmonds	(SS)	Director of Workforce & OD	ABUHB
Hywel Daniel	(HD)	Director of Workforce & OD	CTMUHB
Claire Osmundsen-Little	(COL)	Director of Finance	DHCW
Pete Hopgood	(PH)	Director of Finance	Powys tHB
Sarah Morley	(SM)	Director of Workforce & OD	Velindre
Matt Denham-Jones	(MDJ)	Deputy Director of Finance	Welsh Government
OTHER ATTENDEES:			
Joanna Garrigan	(JG)	Chief Finance Officer, Mental Health	BCUHB
Andrew Gough	(AG)	Deputy Director of Finance	C&VUHB
Martyn Pennell	(MP)	Deputy Director of Finance	HEIW
Liz Blayney	(EB)	Board Governance Manager	PHW
Andy Butler	(AB)	Director, Finance & Corporate Services	NWSSP
Alison Ramsey	(AR)	Director, Planning, Performance & Informatics	NWSSP
Linsay Payne	(LP)	Deputy Director, Finance & Corporate Services	NWSSP
Ruth Alcolado	(RA)	Medical Director	NWSSP
Peter Stephenson	(PS)	Head of Finance & Business Development	NWSSP
Daniela Mahapatra	(DM)	Deputy Director, Legal & Risk	NWSSP
PRESENTERS:			
Neil Jenkins	(ND)	Chief Digital Officer	NWSSP
Andrew Waddington	(AW)	Head of Building for Wales	NWSSP
Item			Action
1.1	Welcome and Opening Remarks		

Item		Action
	The Chair welcomed members to the January 2023 Shared Services Partnership Committee meeting.	
1.2	Apologies Received From <ul style="list-style-type: none"> • Sue Hill Executive Director of Finance BCWUHB – Joanna Garrigan deputising; • Catherine Phillips, Director of Finance C&VUHB – Andrew Gough deputising; • Rhiannon Beckett, Director of Finance, HEIW – Martyn Pennell deputising; • Debbie Eyitayo, Director of People & OD, SBUHB; • Chris Turley, Director of Finance, WAST; • Tanya Bull, UNISON representative; and • Gareth Hardacre, Director of People & OD, NWSSP. 	
1.3	Declarations of Interest There were no declarations of interest for Part A of the meeting.	
1.4	Minutes of Previous Meeting The minutes of the September meeting of the Committee were reviewed and approved.	
1.5	Action Log All actions were either complete or on the agenda.	
2.	Chair and Managing Director Update	
2.1	<u>Chair's Update</u> The Chair updated the Committee on attendance at recent meetings, both within NWSSP and externally. A paper was also included on the agenda summarising the content, outcome and next steps for the development day held with the Committee in November. It was clear that there was appetite amongst SSPC members to make changes to strategic objectives now as part of the 2023-26 IMTP process and to run further sessions together as part of a more regular programme of engagement and shared learning. It was also clear that the Committee were keen for NWSSP to take more risk and the updated Risk Appetite Statement was included on the agenda. Further sessions would be arranged for the Committee with the next to be potentially held in Q1 and another session in Q3. The Committee NOTED the update.	AR

Item		Action
2.2	<p data-bbox="245 250 721 291"><u>Managing Director Update</u></p> <p data-bbox="245 331 1324 407">The Managing Director presented his report, which included the following updates on key issues:</p> <ul data-bbox="293 443 1324 1684" style="list-style-type: none"> • Technology was successfully implemented on 30th September 2022 across NHS Wales to allow pre-employment checks to be undertaken virtually for all UK and Irish passport holders. A reduction in time to hire has been noted since its implementation, however recruitment activity continues to be a challenge across Wales; • Following a recent national Penicillin V shortage, CIVAS@IP5 medicines unit utilised its national portfolio and MHRA wholesale dealer licence to procure significant quantities of Penicillin direct from the manufacturer; • From the 1st April 2023 management of all emergency planning/medicines storage of Welsh Government owned stock will transfer to NWSSP; • On 22nd December 2022 Welsh Government confirmed that the Low Vision Service Wales would transfer to NWSSP on the 1st April 2023, it was previously undertaken by Hywel Dda UHB; • NWSSP is continuing to support the progress on the establishment of the Citizen Voice Body. The Programme Board has identified a number of back-office support services which will continue to be provided to the new organisation through NWSSP; • The level of capital funding for the Laundry Services Modernisation Programme continues to be a potential issue, NWSSP are currently considering alternative options to progress the work needed to meet the minimum standards and rationalisation programme should Welsh Government not be in a position to approve the current new build business cases; and • Neil Davies is retiring as the Director of Specialist Estates Services; his deputy Stuart Douglas has been appointed and will commence in post in February. <p data-bbox="245 1724 826 1765">The Committee NOTED the update.</p>	
3.	Items for Approval/Endorsement	
3.1	IMTP 2023-26	

Item		Action
	<p>AR introduced this item. The plan was endorsed at the Senior Leadership Group meeting in December and takes account of the changes suggested at the Committee development day in November.</p> <p>The IMTP has been developed in collaboration with all divisions who have written underpinning divisional plans for the next three years. Individual touch point meetings were held prior to Christmas with Divisional Directors and Heads of Services to confirm digital, financial and workforce planning assumptions and to identify synergies across Divisions to mitigate silo working and maximise efficiencies.</p> <p>The IMTP and the Divisional plans reflect priorities identified by:</p> <ul style="list-style-type: none"> • the Welsh Government where we are playing a lead national role; • our customers, to support delivery of their local plans; and • professional peer groups such as Directors of Workforce and Finance. <p>In line with the direction from the Minister for Health and Social Care, there is a focus on a smaller number of priorities for 2023-24, with the key organisational priorities being:</p> <ul style="list-style-type: none"> • Decarbonisation and Climate Change; • Implementation of our new Digital Strategy as a key enabler; • Financial sustainability and good governance; and • Employee Wellbeing. <p>AB highlighted that the delivery of a balanced financial plan would be very challenging within the current environment. The financial plan contains several significant risks and income assumptions including energy costs, additional demand placed on transactional services and ongoing funding of the procurement, warehousing, and distribution of Personal Protective Equipment. The financial plan was due to be discussed with Welsh Government and the Finance Delivery Unit at the forthcoming Touchpoint meeting.</p> <p>Committee members commented favourably on both the format and the content of the plan and time timeliness in which it had been produced.</p> <p>The Committee:</p>	

Item		Action
	<ul style="list-style-type: none"> ● APPROVED the NWSSP IMTP for 2023-26 subject to the touchpoint meetings with Welsh Government and the Finance Delivery Unit; and ● AGREED for the IMTP to be submitted to Welsh Government as soon as practicable following the touchpoints meetings if there are no significant changes required. 	
3.2	<p>Digital Strategy</p> <p>Neil Jenkins, Chief Digital Officer attended to present a paper on NWSSP's Digital Strategy. The strategy has been shared with NWSSP Senior Leadership Group for comment from divisional leads and the Digital Health & Care Wales Executive Team for information. On approval from the Committee it will be shared with the NHS Wales Directors of Digital peer group.</p> <p>The strategy sets the direction for the future provision of digital services, the approach and methodology and the desired outcomes. It is designed to recognise that the principal role of digital services is to enable the delivery of the IMTP and divisional plans.</p> <p>The Committee APPROVED the Strategy.</p>	
3.3	<p>Building Construction Frameworks</p> <p>Andrew Waddington, Head of Building for Wales in Specialist Estate Services, attended to present the paper. The purpose of the paper was to obtain approval for the development of the NHS Building for Wales 2 (NHSBfW2) construction frameworks and place Find a Tender notices/proceed to tender.</p> <p>The current framework has been in existence since 2018 and was formally extended to April 2023 in order to maintain service continuity whilst the framework procurement processes were in development. It is anticipated that a further 12-month extension will be required to maintain service continuity whilst the procurement process is concluded.</p> <p>To help deliver Welsh Government objectives Specialist Estates will procure and manage construction and consultant frameworks for use by Health Boards/Trusts for the delivery of major capital projects within NHS Wales in excess of £7million. The frameworks are required to be operational by the end of April 2024 when the</p>	

Item		Action
	<p>current arrangements cease and will support expenditure of circa £1 billion during their duration.</p> <p>The Committee NOTED the report and APPROVED the publication of Find a Tender notices to invite expressions of interest and thereafter to proceed for the construction and consultant frameworks.</p>	
3.4	<p>Risk Appetite Statement</p> <p>PS introduced the item which is presented to the SSPC for approval on an annual basis. The statement was informally reviewed at the SSPC Development Day on 11 November, and prior to that by the Senior Leadership Group. The outcome of these reviews was for NWSSP to be bolder in its appetite to risk and this is now reflected in the revised Statement.</p> <p>The Committee APPROVED the Risk Appetite Statement.</p>	
4.	Governance, Performance and Assurance	
4.1	<p>Finance Report</p> <p>AB presented the report. The Month 9 financial position is a year-to-date underspend of £2.152m after anticipating £0.984m of Welsh Government funding for energy pressures. The distribution to NHS Wales has been increased to £2m. The year-end forecast outturn remains at break-even with the assumption of full funding of exceptional energy pressures and Covid costs from Welsh Government.</p> <p>£75.8m of Welsh Risk Pool expenditure has been incurred to date and a review of cases due to settle in 2022/23 indicates a potential outturn within a range of £128.8m-£142.3m. The IMTP forecast of £134.780m remains within this forecast range.</p> <p>The current Capital Expenditure Limit for 2022/23 is £4.968m. Capital expenditure to Month 9 is £1.204m and plans are in place to fully utilise all available capital funding. Since the transfer of the All-Wales Laundry Service there is increased pressure on the discretionary capital allocation as this was not increased following the transfer of the service.</p> <p>The Committee NOTED the :</p>	

Item		Action
	1. Financial position to 31st December 2022 including the financial risks from anticipated funding; 2. Forecast financial position for 2022/23 including the financial risks from anticipated funding; 3. Achievement to date against key financial targets; and 4. The content of the report.	
4.2	<p>Performance Report</p> <p>AR introduced the report. The in-month (November) performance was generally good with 34 out of 38 KPIs achieving target. The four that did not achieve target and are considered amber relate to:</p> <ul style="list-style-type: none"> • Recruitment – average days from creation of vacancy to an unconditional offer being made; • Recruitment – percentage of vacancies being advertised within two days of receipt; • Payroll – percentage of calls handled; and • Audit & Assurance – time to produce a draft report after completion of audit fieldwork. <p>Good progress is already being made in terms of improving performance in the above with the Recruitment Modernisation Plan in particular having a significant impact.</p> <p>There was discussion on whether the fact that 34 targets being rated as green indicated that targets should be more challenging. AR stated that the targets are subject to regular review and specifically more recently as part of the IMTP process. In addition a Performance and Outcomes Group had recently been established which has been tasked with developing a basket of outcome measures and reviewing current targets.</p> <p>The Committee NOTED:</p> <ol style="list-style-type: none"> 1. The significant level of professional influence benefits generated by NWSSP to 30th November 2022; and 2. The performance against the high-level key performance indicators to 30th November 2022. 	
4.3	<p>PMO Highlight Report</p> <p>AR presented the report. The Legal & Risk Case Management System and the Laundry Transformation Projects are both currently red-rated and are also included as red risks on the</p>	

Item		Action
	<p>Corporate Risk Register. The dispute with the supplier of the Case Management system does not impact on the ability of Legal & Risk to provide services. The Laundry Transformation Programme is impacted by lack of available capital, but alternative plans are being established to address the key risks to the current provision of the service.</p> <p>The Committee NOTED the report and the specific progress with key projects.</p>	
4.4	<p>People & Organisational Development Report</p> <p>Due to a family bereavement, the NWSSP Director of People & OD was unable to attend Committee to present the report.</p> <p>The Committee NOTED the report.</p>	
4.5	<p>Corporate Risk Register</p> <p>PS presented the Register. Following an extensive review by the Senior Leadership Group, a number of new risks had been added, and several of the existing risks had been escalated to a rating of red. There are now seven red-rated risks covering areas such as energy costs and provision, industrial action, insufficient staff resource, the Legal and Risk and Laundry project risks, and a serious issue with the roof of Brecon House in Mamhilad.</p> <p>The Committee NOTED the Corporate Risk Register.</p>	
4.6	<p>Health and Care Standards</p> <p>PS presented the report. The Committee is required to receive an annual update on the Standards, which have previously been reviewed by the Senior Leadership Group and submitted to the November meeting of the Velindre Quality and Safety Committee. The response to the Standards has been updated to reflect the increased risk profile as a result of NWSSP taking on increasingly diverse services e.g. TRAMs, Medical Examiner and Laundry. However, PS reported that the introduction of the requirements under the Duty of Quality legislation, which comes into effect from April 2023, is likely to result in the standards no longer having to be completed.</p> <p>The Committee NOTED and ENDORSED the Health and Care Standards.</p>	

Item		Action
5.	<p>Items for Information</p> <p>The following papers were provided for information:</p> <ul style="list-style-type: none"> • TRAMs Update; • Counter Fraud Management Arrangements; • Audit Committee Annual Report 2021/22; • Audit Committee Assurance Report; • Counter Fraud Annual Report 2021/22; • Wales Infected Blood Support Scheme Annual Report 2021/22; • Welsh Language Annual Performance Report 2021/22; • IMTP Q2 Progress Report; and • Finance Monitoring Returns (Months 6, 7, 8 and 9). 	
6.	There were no other items of business.	
<p align="center">DATE OF NEXT MEETING: Thursday, 23rd March from 10:00-12:00 Via Teams</p>		

Item 1.5

ACTION LOG

SHARED SERVICES PARTNERSHIP COMMITTEE

UPDATE FOR 23 MARCH 2023 MEETING

List No	Minute Ref	Date	AGREED ACTION	LEAD	TIMESCALE	STATUS MARCH 2023
1.	2023/01/2.1	January 2023	Chair's Update Confirm further development sessions for Committee.	AR	March 2023	COMPLETE Provisional dates in diary for June and November.



GIG
CYMRU
NHS
WALES

Partneriaeth
Cydwasaethau
Shared Services
Partnership

AGENDA ITEM:

23rd March 2023

The report is/is not Exempt

Teitl yr Adroddiad/Title of Report

Update on changes to the Recruitment Modernisation Programme

**ARWEINYDD:
LEAD:**

Gareth Hardacre, Director of People, OD & Employment Services

**AWDUR:
AUTHOR:**

Gareth Hardacre, Director of People, OD & Employment Services

**SWYDDOG ADRODD:
REPORTING OFFICER:**

Gareth Hardacre, Director of People, OD & Employment Services

**Pwrpas yr Adroddiad:
Purpose of the Report:**

The purpose of this report is to update Committee Members on the progress with the Recruitment Modernisation Programme

Llywodraethu/Governance

**Amcanion:
Objectives:**

To improve the timelines to recruit and improve the candidate experience

**Tystiolaeth:
Supporting evidence:**

Published Best Practice arrangements have been considered as part of the review.

Ymgynghoriad/Consultation :

WODs, Recruitment Modernisation Programme Board Members

Adduned y Pwyllgor/Committee Resolution (insert ✓):

**DERBYN/
APPROVE**

**ARNODI/
ENDORSE**

**TRAFOD/
DISCUSS**

**NODI/
NOTE**

✓

**Argymhelliad/
Recommendation**

The Committee is asked to note the update on progress being made via the Recruitment Modernisation Programme.

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact.
Cyfreithiol: Legal:	No direct impact.
Iechyd Poblogaeth: Population Health:	No direct impact.
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct impact.
Ariannol: Financial:	No direct impact.
Risg a Aswiriant: Risk and Assurance:	No direct impact.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf Governance, Leadership and Accountability
Gweithlu: Workforce:	Ensures that the Health Boards & Trusts are able to improve recruitment timelines, whilst ensuring compliance with legal requirements, and improved experience for the candidate as part of that process
Deddf Rhyddid Gwybodaeth/ FOIA	Open

1. BACKGROUND

The Recruitment Modernisation Programme has been developed following feedback from the WOD Responsiveness Project undertaken in 2021 and learning taken throughout the pandemic. The programme has identified three key areas of focus;

- **Process**
- **Technology**
- **Education**

The success of this programme is dependent on organisational agreement to proposed changes (maintaining the core principles of a Once for Wales Recruitment model) and timely implementation. This report will be supplemented by a presentation at Committee.

2. PROGRAMME ARRANGEMENTS

The principal aim is ensuring that the Health Boards & Trusts are able to improve recruitment timelines, whilst ensuring compliance with legal requirements. We are also seeking an improved experience for the candidate as part of that process.

Programme changes completed

Technology

Trust ID was implemented on 30th Sept across NHS Wales in line with legislative changes from the Home Office. The system removes the need to face to face pre-employment checks for those with an in-date UK or Irish Passport or Share Code. Robotic Process Automation functionality is now issuing Permanent Internal & External contracts of employment and Recruitment personal files.

Process changes

All organisations in NHS Wales are now live (staggered between August – December 2022) with the process changes listed below:

- Include a proposed start date in the offer letter
- Reduction of Mandatory Pre-employment checks prior to start date (references and qualifications can be completed after start date. There are variations to this for WAST & PHW).
- More streamlined internal employment checks process where dates from ESR are used to evidence some existing pre-employment checks.
- Amending of the unconditional offer letter to a Ready for Start date notification.

Engagement

NWSSP are continuing to hold engagements sessions with managers on the changes, following go live. There have been 64 sessions held with over 1800 managers attending, this is broken down by organisation as follows:

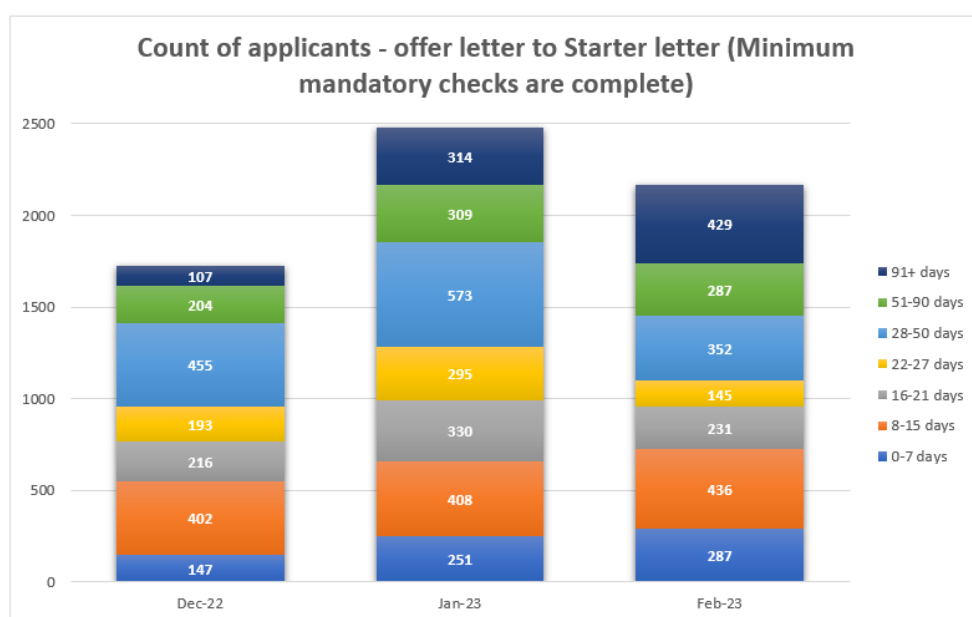
Employer	Total
AB	201
BCU	156
CTM	159
CV	239
DHCW	91
HD	137
HEIW	35
NWSSP	86
PHW	116
Powys	96
SB	308
Vel	48
WBS	31
WAST	83
Grand Total	1817

Successful Implementation - Key messages so far

Although data is limited currently due to the short time the changes have been live in some organisations, improvements could be seen during Q2 for early implementer organisations, in relation to reducing time to hire.

From January 2023 NWSSP Recruitment Services are working with organisations to close the older records down, which can inflate the average time to hire. The data will show a more accurate picture of improvements once older records are no longer in the system. The closing of older records is a pro-active task, which completes outlying applicant journey, whether due to lack of applicant engagement or applicants who have started without checks being completed. It is also important to note the smaller organisations average times will also be skewed as their activity is lower than the large Health Boards.

Offer Letter to Starter Letter by number of days taken



This data is taken from December 2022 to February 2023 which covers the period where all organisations have gone live with the main process changes.

Next Steps

NWSSP Recruitment Services will continue to provide performance data to demonstrate the benefits of the changes to reducing the time to hire and improving the experience for both managers and applicants. NWSSP would also like to thank the Workforce Directors and their teams for supporting the changes and working together to implement successfully.

For at least the next year, the Recruitment Modernisation Programme will focus on:

- benefits realisation and evaluation following the changes to process - package of reporting for Q1 2023/2024;
- continued education for managers & workforce colleagues with a renewed emphasis on reducing time to hire;
- working with organisations to implement functionality that is available in Trac but not widely used such as Social Media Advertising, Talent Pools and Redeployment;

- support organisations to improve the parts of the process they are responsible for such as vacancy approval, removal of shortlisting for registered posts.
- working with RPA and Trac to make further improvements through technology.
- opportunity to work with workforce colleagues and other key stakeholders to maximise opportunities, ensure understanding and create awareness in organisations.
- with the introduction of a new OH system (same company as Trac) – there are direct interfaces that will remove duplication and improve OH timelines in recruitment checks

3. RECOMMENDATION

The Committee is asked to note the progress in this report. A more detailed presentation will be made at the Committee meeting.

 GIG CYMRU NHS WALES	Partneriaeth Cydwasaethau Shared Services Partnership	AGENDA ITEM:2.2 23 March 2023
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<i>The report is not Exempt</i>
Teitl yr Adroddiad/Title of Report
Managing Director's Report

ARWEINYDD: LEAD:	Neil Frow – Managing Director
AWDUR: AUTHOR:	Peter Stephenson, Head of Finance & Business Development
SWYDDOG ADRODD: REPORTING OFFICER:	Neil Frow – Managing Director
MANYLION CYSWLLT: CONTACT DETAILS:	Neil.frow@wales.nhs.uk

Pwrpas yr Adroddiad: Purpose of the Report:
To provide the Committee with an update on NWSSP activities and issues since the last meeting in January.

Llywodraethu/Governance	
Amcanion: Objectives:	To ensure that NWSSP openly and transparently reports all issues and risks to the Committee.
Tystiolaeth: Supporting evidence:	N/a

Ymgynghoriad/Consultation :
Shared Services Partnership Committee

Adduned y Pwyllgor/Committee Resolution (insert ✓):							
DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS	✓	NODI/ NOTE	✓
Argymhelliad/ Recommendation	The Partnership Committee is to NOTE and DISCUSS the report.						

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact.
Cyfreithiol: Legal:	No direct impact.
Iechyd Poblogaeth: Population Health:	No direct impact.
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct impact.
Ariannol: Financial:	No direct impact.
Risg a Aswiriant: Risk and Assurance:	This report provides an assurance that NWSSP risks are being identified and managed effectively.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf .
Gweithlu: Workforce:	No direct impact.
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open

Introduction

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

IMTP

The IMTP was submitted to Judith Paget and Welsh Government in January and there were no significant amendments to the plan following the approval of the Committee earlier that month and the subsequent touchpoint meetings held with Welsh Government and the Finance Delivery Unit.

Laundry Services

Due to the restrictions on capital funding we are working with Welsh Government to find alternative options for delivering the programme at a significantly reduced capital value. This will include significant refurbishment to existing buildings rather than investment in new buildings. However, the same principles of reducing the number of laundries to three and of meeting the required legal and environmental standards still apply.

Low Vision Service

Following discussions with Welsh Government and Hywel Dda University Health Board colleagues, the transfer of the Low Vision Service to NWSSP will now take place in June.

Accommodation

We are about to start a consultation process with affected staff on moving out of Companies House and moving into the Welsh Government offices in Cathays Park in early 2024.

Pay Award

The payment of the non-consolidated additional payment of 1.5% was actioned by our Payroll Teams for the March pay. The 2nd payment of a consolidated element is still being discussed with Welsh Government colleagues but should be paid within the next few months so long as clear notification to action this payment is received by the end of the current month.

Transforming Access to Medicine

We are currently exploring an opportunity for acquiring a building that has already been developed as a clean room facility, that has the capability to fulfil the TRAMS South-East Wales scope, and also allow expansion space to

address emerging needs. Commercial negotiations are ongoing, and building surveys are being commissioned, but initial indications are that this building provides a significant opportunity to recover the programme in terms of both time and cost. The combined cost of acquiring and developing the building is likely to be substantially lower than a new build and allow us to replace legacy facilities around two years earlier than a new build. With major construction works avoided, the carbon cost will also be lower, and the inflation risk substantially reduced.

Citizens Voice Body (Llais)

We continue to support the establishment of the CVB which comes into operation on 1st April. Beyond that date we will be providing basic financial services such as accounts payable, payroll and recruitment as well as Internal Audit and Counter Fraud. Whilst the CVB are an independent body they have been granted Admitted Body status for pensions and will therefore fall under the NHS Pension Scheme. However, due to their role, there is no intention for the CVB to join the Partnership Committee. I would like to take this opportunity to offer my thanks to Hazel Robinson, Programme Director, for all her efforts in establishing the CVB. Hazel will leave the programme at the end of March.

International Recruitment

In January 2022, an All-Wales contract with a number of providers under the Health Trust Europe framework was awarded for a period of 1 year. Standardisation of supplier rates realised circa £84K cost savings for Phase 1 (compared to awards with individual T&Cs). As @ 01 March 2023, the breakdown of onboarding activity by Health Board is indicated in the table below.

Health Board	Invoiced/ Recharged 21/22 FY	Onboarded	In progress	Yet to be replaced	% Onboarded
ABUHB	50	50	2*	0	100%
BCUHB	27	25	4*	0	92%
CAVUHB	135	128	7	0	94%
CTMUHB	97	97	0	0	100%
HDUHB	97	99	1*	0	102%*
PTHB	7	2	5	0	28%
All Wales	413	401	19	0	97%

Some Phase one candidates (2in BCU, 5 Powys, 5 Cardiff) will land post April (FY 23/24) but already invoiced for.

**Hywel Dda accepted a further two candidates in phase I and have commenced Phase II recruitment landing one candidate in March '23. The rest will land in the 23/24 FY window.*

Subsequently, the Minister for Health and Social Services had been approached by the State Government of Kerala, India to offer support with NHS Wales registered nurse staffing needs. Arrangements are being progressed to support the development of an inter-governmental MOU which would allow for a direct pipeline of healthcare professionals from Kerala to Wales, excluding the use of external recruitment agencies and delivering potential cost savings.

To support an initial pilot, NWSSP & Welsh Government colleagues have partnered with Humber and North Yorkshire Integrated Care Board (ICB) to plan a joint recruitment event in early May. The pilot will be undertaken with three organisations who have declared they have received Board approval to financially proceed with Phase II. Organisations have been approached to nominate nurse recruiters to represent NHS Wales as part of this delegation. Selection and streamlining will be progressed on a Once for Wales basis as per Phase 1, and pre-employment checks will be carried out in country. There will also be an opportunity to scope medical and dental recruitment and to visit Higher Education establishments during the visit.

In addition to Kerala, NWSSP has sought an extension to the existing All-Wales contract for a further three years to benefit the longer-term strategic approach for international nurse recruitment. The new contract will be awarded under the terms and conditions of the existing national framework agreement with fixed costs for the duration of the contract. Also, following a successful supplier day, NWSSP has incorporated a fifth supplier to the contract to provide additional capacity and capability to deliver at pace and on a scale that matches NHS Wales requirements. NWSSP continue to liaise with Health Boards and Trusts to establish their 23/24 recruitment requirements.

Supply Chain/Laundry Services

Despite the recent inclement weather there was no disruption to services provided by the Supply Chain including Health Courier Services, and the Laundry service, due to the efforts of all staff involved.

Brecon House

Following further investigation by the Landlord and firms of engineers, the issue with the Reinforced Autoclave Aerated Concrete in Brecon House is worse than initially thought and as a consequence we will be moving permanently out of that building at the earliest opportunity. Discussions are well advanced in terms of working with the Landlord to identify alternative options within the Mamhilad Park Estate.


Finance

The Month 11 financial position is a year-to-date underspend of £1.211m, after accounting for the £2m distribution back to Health Boards. The year-end forecast outturn remains at break-even with full funding of exceptional energy pressures and Covid costs from Welsh Government.

£87.531m Welsh Risk Pool expenditure has been incurred to Month 11. A review of cases due to settle in 2022/23 indicates a potential range of £127.1m-£139.0m. The IMTP forecast of £134.780m remains within this forecast range. We continue to assume £25.345m will be funded under the Risk Share Agreement in 2022/23.

Our current Capital Expenditure Limit for 2022/23 is £5.102m. This now includes £0.303m for TRAMS OBC Fees agreed in February. Capital expenditure to Month 11 is £1.287m and we have plans to fully utilise all capital funding noting the significant expenditure to be incurred in Month 12.

**Neil Frow,
Managing Director, NWSSP,
March 2023**

 GIG Cymru NHS Wales Partneriaeth Cydwasaethau Shared Services Partnership	AGENDA ITEM: 4.1 23 March 2023
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The report is not Exempt

Teitl yr Adroddiad/Title of Report

Duty of Quality

ARWEINYDD: LEAD:	Dr Ruth Alcolado, Medical Director
AWDUR: AUTHOR:	Dr Ruth Alcolado, Medical Director
SWYDDOG ADRODD: REPORTING OFFICER:	Dr Ruth Alcolado, Medical Director
MANYLION CYSWLLT: CONTACT DETAILS:	Ruth.Alcalado3@wales.nhs.uk

**Pwrpas yr Adroddiad:
Purpose of the Report:**

To provide the Committee with an assessment of NWSSP readiness to comply with the requirements of the Duty of Quality.

Llywodraethu/Governance

Amcanion: Objectives:	To establish a reporting mechanism for the Duty of Quality Implementation.
Tystiolaeth: Supporting evidence:	N/A

Ymgynghoriad/Consultation :

SLG, 16 March 2023 and presented for noting at the Velindre QSP, 16 March 2023.

Adduned y Pwyllgor/Committee Resolution (insert ✓):

DERBYN/ APPROVE	✓	ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE	
Argymhelliad/ Recommendation		Consider the Assessment of Readiness included as Appendix A and advise of any amendments. Approve the proposed approach that NWSSP will adopt to take forward compliance with the Duty of Quality. This includes the role of the Partnership Committee to provide oversight and the twofold role NWSSP will have in providing evidence under Duty of Quality.					

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact.
Cyfreithiol: Legal:	No direct impact.
Iechyd Poblogaeth: Population Health:	Positive Impact.
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	Positive Impact.
Ariannol: Financial:	No direct impact.
Risg a Aswiriant: Risk and Assurance:	No direct impact.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf Governance, Leadership and Accountability
Gweithlu: Workforce:	No direct impact.
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open

1. BACKGROUND

The Health and Social Care (Quality and Engagement) (Wales) Act 2020 introduces the Duty of Quality (the Duty:

- Guidelines issued for consultation in October 2022
- Consultation process closed on 17 January 2023
- Quality standards are yet to be issued

The legislation will come into force 1 April 2023 and the first annual report will be due in June 2024.

“Quality is defined as continuously, reliably, and sustainably meeting the needs of the population that we serve.

In achieving this, Welsh Ministers and NHS bodies will need to ensure that health services are “safe, timely, effective, efficient, equitable and person-centred”

The former duty was to “monitor and improve healthcare” whereas the new duty is to “secure quality in health services”.

The main difference is that the new Duty applies to clinical and non-clinical NHS Services, and therefore the services and functions of NWSSP will be captured by the new legislation.

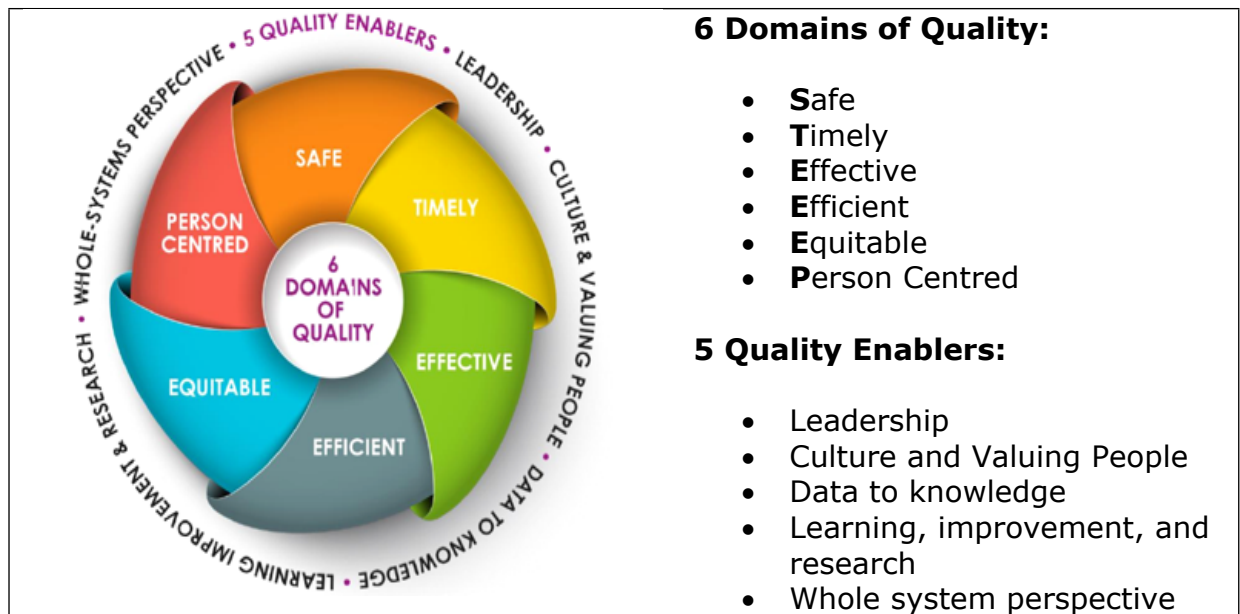
Quality by Design

To drive quality forward requires a positive effort: good quality does not happen by accident.

There are 4 key organisational elements that need to be in place to drive quality service delivery and create a learning environment:



There are 6 Domains of Quality set out in the Duty and 5 Quality Enablers:



1. ASSESSMENT OF READINESS

All NHS organisations in Wales have been required by the Welsh Government to complete an assessment of readiness.

The NWSSP Lead for Duty of Quality has been working closely with the Duty of Quality and Candour Implementation Board in WAG.

This is included as Appendix A.

Responsibilities within the Act:

- Primary responsibility rests with the Neil Frow as Managing Director and Accountable Officer.
- Dr Ruth Alcolado, NWSSP Medical Director appointed as lead for strategic implementation and oversight.
- 'Board' oversight will be provided by the Partnership Committee arrangements.
- Statutory Guidance due to be issued March 2023 for implementation April 2023.

Readiness:

- Informal SLG discussion session on 16 March 2023.
- Duty of Quality reporting to be presented at Partnership Board identifying:

- Proposal for reporting to Partnership Board our own Quality measures, both 'always on' reporting and annual report.
 - Process for providing Health Boards, Trusts, and Strategic Health Authorities with relevant information for them to use as part of their own DoQ reporting.
 - Reporting via Velindre Quality & Safety Committee (approx. quarterly) and via the Velindre University NHS Trust annual quality report (from 2024) as an NWSSP separate chapter.
- Creation of a working group to support the strategic lead in the implementation throughout the NWSSP organisation.

2. RECOMMENDATION

Members of the Partnership Committee are asked to:

- **Consider the Assessment of Readiness included as Appendix A and advise of any amendments.**
- **Approve the proposed approach that NWSSP will adopt to take forward compliance with the Duty of Quality. This includes the role of the Partnership Committee to provide oversight and the twofold role NWSSP will have in providing evidence under Duty of Quality.**


**Appendix A – NWSSP Assessment of Readiness (standard format)
updated end of Feb 2023**

1 = Exploring and preparing	3= Implementing and operationalising
2 = Planning and resourcing	4= Full implementation

Theme	Roadmap Milestones	Baseline @ Dec 2022	Position @ January 2023	Position @ February 2023	Comments for latest update
Leadership and culture	Senior responsible leadership in place and driving implementation work	2	4	4	Medical Director appointed lead for DoQ
	All staff recognise and understand the organisation's Quality vision, and their roles within it	2	3	3	Confident that in line with our values and quality statements that staff recognise the quality vision and their role. Line of sight and all staff responsibility work ongoing
	Commitment, resources and infrastructure in place to implement Duty effectively	2	2	2	Planning work ongoing to split the dual role of NWSSP in providing HBs and trusts with data to allow them to report on DoQ of work we undertake on their behalf and then work that we provide which will be reported to Partnership Board and through VNHST as host organisation. Proposal for March Partnership Board
Decision-making	Processes and systems in place to provide demonstrable evidence that Board decisions have been made through Quality lens	3	3	3	In place, but taking opportunity of the implementation of the DoQ to review and provide Partnership Board with all appropriate information
Governance and accountability structures	Board are assured that DoQ is being	1	2	2	Impact of DoQ on internal and external reporting under review

	considered across system				
	Routine governance documentation is DoQ-ready	1	2	2	Impact of DoQ on internal and external reporting under review and awaiting statutory guidance documents
Reporting and information (data to knowledge)	Mechanism and publication schedule / plan in place for sharing DoQ progress information externally	1	1	2	Discussions on hosting arrangements and dovetailing with existing governance arrangements in progress
	Quality-related information escalation mechanisms in place, with plans for review and consideration at appropriate level	3	3	3	Existing quality metrics and reporting is part of an ongoing review
Commissioning	A clear and corporately agreed understanding of changes required to incorporate DoQ requirements into all commissioning arrangements	1	1	2	Under review what impact this will have
Hosting	A clear and corporately agreed understanding of changes required to incorporate DoQ requirements into hosting arrangements	1	1	3	As noted above – reporting DoQ to NWSSP Partnership Board and through the VNHST QSP committee
Quality Standards	A clear understanding of changes required to existing quality infrastructure and agreed programme of	2	2	2	NWSSP were already looking at aligning quality outcomes to other policy drivers and the infrastructure required. DU quality standards are likely to be predominantly

	work to align with Quality Standards 2023				clinical and not applicable – guidance awaited.
Quality management system – general	A clear understanding of, and commitment to, a quality management system, with plans in place to identify requirements and current gaps	2	2	2	QMS via quarterly divisional reviews as well as use of national quality metrics feed into processes which identify new developments and gaps within existing services. Benchmarking and external accreditation are quality measures in regular use.
Communication and engagement	All staff are aware of key DoQ messages tailored to their organisation	2	2	2	Planning further comms and engagement including all staff coffee morning
Training and education	At least one member of Board trained, knowledgeable and able to influence Board in relation to DoQ	3	4	4	In place
1 = Exploring and preparing		3= Implementing and operationalising			
2 = Planning and resourcing		4= Full implementation			

 GIG Cymru NHS Wales Partneriaeth Cydwasaethau Shared Services Partnership	AGENDA ITEM:4.2 23 rd March 2023
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The report is not Exempt

Teitl yr Adroddiad/Title of Report

Teams Voice Telephony and Contact Centre Solution - Chair's Action

ARWEINYDD: LEAD:	Andrew Evans, Director of Primary Care Services
AWDUR: AUTHOR:	Bethan Clift, Programme Management Office
SWYDDOG ADRODD: REPORTING OFFICER:	Andy Butler, Director of Finance & Corporate Services
MANYLION CYSWLLT: CONTACT DETAILS:	Andy.butler@wales.nhs.uk

Pwrpas yr Adroddiad: Purpose of the Report:

To ratify the Chair's Action approving the award of contract for the contact centre and telephony solution.

Llywodraethu/Governance

Amcanion: Objectives:	Excellence – to develop an organisation that delivers a process excellence through a focus on continuous service improvement
Tystiolaeth: Supporting evidence:	N/a

Ymgynghoriad/Consultation :

Senior Leadership Group
Velindre University NHS Trust Boards (Out of Board Approval)

Adduned y Pwyllgor/Committee Resolution (insert ✓):

DERBYN/ APPROVE	✓	ARNODI/ ENDORSE	✓	TRAFOD/ DISCUSS		NODI/ NOTE	
Argymhelliad/ Recommendation		The Committee is requested to ratify the Chair's Action of 27 th January 2023 approving the contract award for the contact centre and telephony solution.					

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact.
Cyfreithiol: Legal:	No direct impact.
Iechyd Poblogaeth: Population Health:	No direct impact.
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	The award of the contract and the implementation of the solution should help to improve the experience for people contacting NWSSP.
Ariannol: Financial:	Included in attached paper.
Risg a Aswiriant: Risk and Assurance:	The risks have been documented in the attached paper.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf Governance, Leadership and Accountability
Gweithlu: Workforce:	No direct impact.
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open.

1. Introduction

The paper set out below was the subject of a Chair's Action dated 27th January and approved by the Chair and also Pete Hopgood, Executive Director of Finance and Information, Powys tHB. Chair's Actions would normally be approved by the Chair and Vice-Chair but in this instance, Hywel Dda UHB are a direct party to the contract and it was therefore agreed with

Huw Thomas that approval from another member of the SSPC would be prudent. The paper has now also been approved by the Velindre University NHS Trust Board, with final approval being provided on the 15th of March.

2. Background

NHS Wales Shared Services Partnership (NWSSP) current telephone contract is due to end in March 2023. Maintel are the current telephony provider and have been providing the service for the last five years. As the contract is coming to an end on the 31 March 2023, NWSSP needs a new telephony solution that will continue to support our work and the users of our services.

In 2021 NWSSP spearheaded a successful rollout of Microsoft 365 (M365) across NHS Wales and were also one of the first organisations to fully migrate files and folders to SharePoint Online. The contact centre programme is now in an enviable position where the foundations have been put in place to capitalise on many of the features within the M365 suite of applications. NWSSP now wishes to leverage the investment in M365 by utilising a TEAMS voice telephony and contact centre solution, which will provide NWSSP contact centre staff and service user's additional functionality.

In December 2022, NWSSP partnered with Digital Health and Care Wales (DHCW) to identify standard telephony and contact centre requirements. DHCW also presented the opportunity to All Health Boards in Wales, consequently, Hywel Dda University Local Health Board agreed to be included in the procurement exercise.

Progress

Following agreement for NWSSP to join a joint procurement exercise with DHCW and Hywel Dda Health Board, the Invitation To Tender (ITT) was submitted to the market, with two suppliers submitting a tender response. The responses have now been evaluated and contract award has been ratified and will be awarded to the winning supplier following ratification by the three organisations involved.

This has allowed NWSSP's project team to review the business case costs.

Benefits

It is recognised that the existing MITEL platform is legacy technology that has limitations in terms of its capacity to adapt to the changing requirements of NWSSP business processes. The tables below describe the benefits (aligned to NWSSPs Strategic Objectives) and the capability of the proposed new solution to deliver those benefits versus the capability of the MITEL platform.

Service Development

Benefit	New Solution	MITEL
Moves Shared Services towards a Unified Communications platform with telephony, email, messaging, video calls and conferencing all available through one Teams interface	Yes	No
Aligns with NHS Wales's national approach and DHCW's infrastructure support	Yes	No
Optimises integration and experience, a whole system approach will enable learning and an enhanced relationship between NWSSP and its customers	Yes	No
Hosting on a Microsoft platform, creates a foundation on which NWSSP can build further functionality such as incorporating contact centre performance into Power BI dashboards	Yes	No

Customers

Benefit	New Solution	MITEL
An opportunity to provide a standardised and consistent Call Centre experience for customers across all Shared Services help desks	Yes	Yes (at additional cost)
Additional channels, such as, chatbots can offer 24/7 support for customers, over time it will also enable NWSSPs agents to deal with more than one query at any one time	Yes	No
Triaging of contacts, will enable services to priorities queries and respond to the more urgent customer issues	Yes	Yes (limited functionality)
The contact centre knowledge base will provide organised, accessible, just-in-time support for agents so customer issues can be resolved quickly and simply	Yes	No

Staff

Benefit	New Solution	MITEL
Enables staff working from home to use telephony without a VPN connection to the NHS Wales network.	Yes	No
Enables staff to make and receive calls on their personal mobile phone (if Teams Mobile is installed)	Yes	No
Allows "presence" to include phone calls I.e. your Teams status will show as "Busy" whilst on a phone call	Yes	No
No on-premises equipment to manage or maintain which will help to enable decommissioning of the Companies House data centre and contribute to the NWSSP decarbonisation plan.	Yes	No

Excellence

Benefit	New Solution	MITEL
Hosting on a Microsoft platform allows NWSSP to integrate with other applications – i.e., Power Automate and Power BI. Allowing NWSSP to create bespoke dashboards for each service.	Yes	No
Moving to a cloud-based solution will increase the systems resilience	Yes	Additional costs to provide similar resilience levels
Moving from several contact centre solutions will eradicate duplication of queries in the system	Yes	Yes (at additional cost)

Value for Money

Benefit	New Solution	MITEL
Leverages the already procured E5 licenses (C220k)	Yes	No
Leverages the current SIP Trunk contract	Yes	Yes
Allows the current Zendesk contract to be terminated (April 22 – March 23 contract cost is £75,180)	Yes	No
Costs are based on resource consumption; increased efficiencies will reduce cost	Yes	No (costs are fixed)
Live updates are easier to implement to the auto attendant, whereas, with the current supplier NWSSP experiences delays to creating changes and are also charged for any changes to the auto attendant.	Yes	Yes (at additional cost)

Costs

Table 1 (overleaf) summarises the forecasted expenditure of the current system and the costs of a joint contact centre and telephony solution with DHCW and Hywel Dda Health Board. The contract for the new solution covers:

- Costs for the volume of licenses currently required by NWSSP as expressed in the Invitation to Tender, shown in line 4 of table 1.
- Costs for the maximum allowable license volume under the contract i.e. the number of licenses NWSSP could purchase in future without re-procurement – shown in table 2.

In order to allow direct comparison of the costs of delivering a contact centre through existing contracts with delivering through a new contract, line 3 should be compared with line 8. These costs are based on current requirements for contact centre licenses and supporting infrastructure.

	Options	One off costs (Capital)	Year 1 (exc. VAT)	Year 2 (exc. VAT)	Year 3 (exc. VAT)	Year 4 (exc. VAT)	Year 5 (exc. VAT)	Full 5-year costs	Full 5-year costs (inc VAT)
1	MITEL (including infrastructure + hosting)	£166,749	£240,697	£73,948	£73,948	£73,948	£73,948	£703,238	£843,886
2	Zendesk		£75,180	£75,180	£75,180	£75,181	£75,180	£375,901	£451,081
3	Total for Current Contact Centre Arrangements	£166,749	£315,877	£149,128	£149,128	£149,129	£149,128	£1,079,139	£1,294,967
4	New solution (current license volume - 190)	£51,600	£97,680	£97,680	£97,680	£97,680	£97,680	£540,000	£648,000
5	SIP trunks		£28,694	£28,694	£28,694	£28,694	£28,694	£143,468	£172,162
6	Session Border Controller Hosting		£9,660	£9,660	£9,660	£9,660	£9,660	£48,300	£57,960
7	MITEL support extension		£31,183					£31,183	
8	Total cost to implement new solution		£167,217	£136,034	£136,034	£136,034	£136,034	£711,351	£853,622

As stated above, the flexibility to scale up the number of contact centre licenses was included as a requirement in the procurement exercise. Table 2 below shows the additional expenditure and license volumes allowed under the contract.

EXPENDITURE CATEGORY	Year 1 (exc. VAT)	Year 2 (exc. VAT)	Year 3 (exc. VAT)	Year 4&5 (exc. VAT)	Total (exc.VAT)	Total (inc. VAT)
Optional Requirements (180 additional licenses)	£91,860	£91,860	£91,860	£183,720	£459,300	£551,160

RECOMMENDATION

The Committee is requested to ratify the Chair's Action of 27th January 2023 approving the contract award for the contact centre and telephony solution.



The report is not Exempt

Teitl yr Adroddiad/Title of Report

Supply of Electricity and Gas - Current NHS Position

ARWEINYDD: LEAD:	Andy Butler, Director of Finance & Corporate Services
AWDUR: AUTHOR:	Lena Boghossian, Head of Sourcing, Non-Medical
SWYDDOG ADRODD: REPORTING OFFICER:	Andy Butler, Director of Finance & Corporate Services and Eifion Williams, Chair of Energy Price Risk Management Group
MANYLION CYSWLLT: CONTACT DETAILS:	Andy.Butler@wales.nhs.uk

**Pwrpas yr Adroddiad:
Purpose of the Report:**

To provide an update to the Shared Services Partnership Committee as to the current position with the energy contracts and proposed changes to the Energy Price Risk Management Group.

Llywodraethu/Governance

Amcanion: Objectives :	To deliver value for money and a sustainable approach in the purchase of energy.
Tystiolaeth: Supporting evidence:	N/a

Ymgynghoriad/Consultation:

Energy Price Risk Management Group

Adduned y Pwyllgor/Committee Resolution (insert ✓):

DERBYN/ APPROVE	✓	ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE	
Argymhelliad/ Recommendation	<p>The Committee is asked to APPROVE:</p> <ul style="list-style-type: none"> the transfer to CCS framework RM6251 Supply of Energy for both Gas and Electricity. In parallel to this, NHS Wales should proceed with the appropriate necessary action with 						

	<p>British Gas to exit the current All Wales Contracts.</p> <ul style="list-style-type: none"> the formation of the WEG and WEOG as defined within the ToR (Appendix 1). the purchase of: <ul style="list-style-type: none"> OctL6 basket for supply period 1st October 2023 to 31st March 2024. L12 basket for supply period 1st April 2024.
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Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact
Cyfreithiol: Legal:	No direct impact
Iechyd Poblogaeth: Population Health:	No direct impact
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct impact
Ariannol: Financial:	The strategy proposed should deliver value for money in a volatile energy market and a sustainable approach to the procurement of energy for NHS Wales.
Risg a Aswiriant: Risk and Assurance:	Risks are included on the Corporate Risk Register.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link; http://gov.wales/docs/dhss/publications/150402standardsen.pdf
Gweithlu: Workforce:	No direct impact
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open

NWSSP PROCUREMENT SERVICES

SUPPLY OF ELECTRICITY AND GAS

CURRENT NHS POSITION

MARCH 2023

1. CEFNDIR/BACKGROUND

Following significant energy market volatility since 2020, and British Gas Business (BG) announcement in August 2022, that they were to depart from the larger customers of the Industrial and Commercial (I&C) market, NHS Wales has undergone a review of both procurement and governance arrangements in regard to energy. The detail of this is outlined below, and it is recommended that the current contracts for supply of gas and electricity be terminated, and NHS Wales move to the Crown Commercial Services (CCS) framework RM6251 Supply of Energy 2. Additionally, it is proposed that the current Energy Price Risk Management Group (EPRMG) be dissolved, and two new All Wales groups be formed namely the Welsh Energy Group (WEG), tasked with purchasing decisions, and the Welsh Energy Operational Group (WEOG), tasked with energy operational matters. Moreover, it is proposed that the Wales Energy Group reports to the Shared Services Partnership Committee.

Background

NHS Wales currently procures both gas and electricity via a flexible purchasing model that allows NHS Wales to manage its exposure to price fluctuations by securing pricing via live market prices. The process for securing the commodity price is currently managed through the EPRMG, which determines the purchasing strategy and provides oversight of the utility's contracts.

NHS Wales current contract for supply of Natural Gas NMD-OJEU-36871 runs from 1st April 2022 until 31st March 2027, including the option for a 3-year extension. A restricted procedure under the OJEU was undertaken and only 2 tender responses were received.

NHS Wales current contract for supply of Electricity AW3642 initial period was from 1st April 2015 to 31st March 2020 and included the option for up to 60 months compliant extension. Subsequently the full extension option has now been utilised taking the end date of the contract to 31st March 2025.

The global energy market has been experiencing unprecedented volatility in recent times, and particularly since mid-2021. There are numerous market forces that have led to the volatility, and this has highlighted the vulnerability of all commercial users, both financially and in regard to ensuring continuity of supply. The Industrial & Commercial (I&C) sector has become less attractive with the heightened risk associated. What was an already limited supply market commonly referred to as 'the big 6' has seen 2 suppliers announce departure from the sector in 2022. British Gas Business (BG) advised NHS Wales of their withdrawal from larger I&C customer accounts in August 2022, and this announcement impacts the future of supply of both gas and electricity to NHS Wales as BG are no longer willing to extend/re-tender for these contracts.

Current Position

Prompted by the BG announcement, the EPRMG and Finance Directors requested that alternative procurement routes be investigated to inform NHS Wales of future procurement decisions for the purchase of Gas and Electricity.

CCS framework RM6251 Supply of Energy 2 was identified as a suitable option and NWSSP Procurement Services were requested to undertake a benchmarking exercise. This benchmarking was undertaken, and the results presented to both the EPRMG and Directors of Finance (DoFs). A summary of the benchmarking is shown in the table below:

Commodity	Period (Financial year)	NHS Wales – achieved WAP p/KWh	CCS – achieved WAP p/KWh spread*
Gas	20/21	1.50	1.30 to 1.92
Gas	21/22	1.94	1.81 to 2.59
Electricity	20/21	5.00	4.72 to 5.52
Electricity	21/22	10.43	4.90 to 6.55

*Based on 4 CCS Basket options available during benchmarked period. Prices include estimated p/KWh CCS fee equivalent charge – Actual CCS fee is paid annually per meter within non-commodity charging mechanism.

An All Wales DoFs (AWDoFs) Task & Finish Group was established to progress a review, consider options, and make recommendations in relation to national governance arrangements for management and procurement of energy.

The AWDoFs Task & Finish Group identified that there was a recognised need to ensure future governance arrangements were appropriate and the operational management and procurement activities aligned to explicit delegated responsibilities of the current NHS organisations in Wales, and that these remain resilient and sustainable arrangements.

BG have confirmed their contentment for NHS Wales to terminate both contracts early, providing sufficient notice be served (six months), and that they will not charge an early termination fee. However should there be any unforeseen associated fees to BG (for example in relation to potential sleeving arrangements to Total Energies Gas and Power Ltd), these will be passed on to NHS Wales.

Assessment

In addition to aggregation benefits that the CCS RM6251 framework can offer, the benefit of collaborating with other public sector organisations within the CCS family (customer base) in this time of energy market uncertainty will enable NHS Wales to have a protected market supply whereby the UK government can intervene in case of emergencies/force majeure. Contracts currently in place do not offer such protection and volatility experienced in recent time resulting in suppliers' liquidation has highlighted the vulnerability of supply chain. Therefore, consideration should be given to the value-added benefit and assurance of protection that this collaborative approach under the UK Government's framework would provide to NHS Wales.

The AWDoF Task and Finish group completed their assessment and made the following recommendations:

- Continue with the All Wales 'Once for Wales' approach
- Establish a new Wales Energy Group (WEG) & a Wales Energy Operational Group (WEOG) as a sub-group to the WEG, which will report to the NWSSP Committee, and create Terms of Reference (ToR) for these groups.
- Establish a revised compliant procurement arrangement with Crown Commercial Services for NHS Wales – managed through WEG, and WEOG, and supported by NWSSP Procurement Services Energy team and the NWSSP Finance Department.

A Board Paper and Ratification Paper was prepared by the DoFs group and submitted to all NHS Wales organisations (Appendix 2 and 3) and confirmation of acceptance has now been received by all NHS Wales organisations.

In anticipation of the requirement to sign the access agreement with CCS by 24th March 2023, an inaugural meeting of the WEG was held on 15th March 2023. The terms of reference of the WEG and WEOG groups were approved (Appendix 1). In addition, CCS attended this meeting

and provided a presentation on the energy market, purchase strategies available to NHS Wales (baskets), Renewable Energy Guarantees of Origin (REGO) options, and their position on sleeving of energy from the NHS Wales incumbent supplier (BG) to CCS framework RM6251 supplier of Gas (Total Energies Gas and Power Ltd).

Following the presentation, the group held a discussion around the options available to NHS Wales for a transfer to CCS framework RM6251 Supply of Energy 2. It was recommended by the WEG that NHS Wales transfer supply of gas and electricity to CCS from 1st October 2023 participating in the following purchase strategies:

- OctL6 basket for supply period 1st October 2023 to 31st March 2024.
- L12 basket for supply period 1st April 2024, until notice be given to change basket.

It was agreed that this was the most risk adverse strategy available and would allow the group time to reassess the strategy once transfer has been made. At the time of writing, REGO options are being considered and guidance sought on the most appropriate certification. Having considered the options, the group recommended that gas volume secured beyond October 2023 through NHS Wales current contract with BG be 'sold back'.

2. ARGYMHELLIAD/RECOMMENDATION

The Committee is asked to approve:

- the transfer to CCS framework RM6251 Supply of Energy for both Gas and Electricity. In parallel to this, NHS Wales should proceed with the appropriate necessary action with British Gas to exit the current All Wales Contacts.
- the formation of the WEG and WEOG as defined within the ToR (Appendix 1).
- the purchase of:
 - OctL6 basket for supply period 1st October 2023 to 31st March 2024.
 - L12 basket for supply period 1st April 2024.

Welsh Energy Group (WEG) Welsh Energy Operational Group (WEOG)

Draft Terms of Reference – March 2023

Scope

The energy requirements of the NHS in Wales have a combined value in excess of £134m per annum. The overall portfolio comprises of over five hundred sites each requiring a supply of Gas, Electricity, Fuel Oils and/or Biomass Fuel.

Given the exceptional energy prices and volatility in the energy markets, an All Wales Directors of Finance (AWDoFs) Task & Finish Group was established in 2023 to progress a review, consider options and make recommendations in regard to the governance of energy procurement for NHS Wales. The outcome of this was the recommendation for the following groups to be formed:

- Wales Energy Group (WEG) - with delegated authority to agree national purchasing decisions & report to the NHS Wales Shared Services Partnership Committee (SSPC)
- Wales Energy Operational Group (WEOG) as a sub-group to the WEG – for operational management issues

This document's purpose is to define the Terms of Reference (ToR) for both of the above groups.

WEG

The WEG shall establish a strategy for the procurement of gas and electricity which will define basket choices from the Crown Commercial Services (CCS) framework options available to NHS Wales. The strategy shall have the aim of balancing risk limitation with cost certainty to the NHS Wales energy budget. Group members will be provided with monthly energy market analysis from CCS, in order to develop expertise of group members and aid informed decision making. The group will meet quarterly – with the option to increase frequency as market volatility dictates. The WEG shall also act as the All-Wales Programme Review Board regarding the renewal, extension and ratification of Gas and Electricity contracts made on an All-Wales Basis.

WEOG

The WEOG shall establish a common model to supplier management and best working practices across all NHS Wales utility contracts. Group members will be provided with monthly energy market analysis and insight from CCS, in order to keep members well-informed of market conditions. The group will meet monthly – with the option to increase or decrease the frequency if required.

Structure

WEG

The group will consist of Directors of Finance representatives from each of the Health Boards, Special Health Authorities, NWSSP and Trusts, or their deputies who will act with the delegated authority of their respective organisation to contribute to the collective decisions of the Group. The group will also include representation from NWSSP Procurement Services and NWSSP Finance.

WEOG

The group will consist of representatives from each of the Health Boards, Special Health Authorities, NWSSP and Trusts, made up of colleagues from various departments such as (but not limited to) Estates, Facilities and Finance. Representatives should have the delegated authority of their respective

organisations to contribute to the decisions relevant to the scope of the Group. The group will also include representation from NWSSP Procurement Services.

Membership

WEG

It is suggested that the Group consist of the following members as a minimum;

- Chair of the Group
- Vice Chair of the Group
- Health Board/ Special Health Authority /NWSSP/ Trust Directors of Finance representatives or deputies with the delegated authority of their respective organisation to contribute to the decisions of the Group
- Representative(s) from NWSSP Procurement Services and NWSSP Finance.

The Group shall Co-opt an Account Manager or Market Analyst of the framework provider (CCS) for each meeting of the WEG to provide market intelligence.

It may be necessary for separate Task & Finish group(s) to be established in order to undertake specifically defined programmes of work with clear objectives and timescales. In such instances, the WEG will determine the remit and membership of such groups and the resultant groups will report progress and deliverables to the WEG and WEOG where appropriate.

Quorum – The minimum group representation required to make any decision shall be the Chair of the Group (or the Vice Chair), the Head of Sourcing from NWSSP Procurement Services (or a deputy nominated by the same) and sufficient additional members so that there are no less than seven member organisations represented at the meeting.

WEOG

It is suggested that the Group consist of the following members as a minimum;

- Chair of the Group
- Vice Chair of the Group
- Organisation representatives from various departments such as (but not limited to) Estates, Facilities, and Finance as appropriate
- Representative(s) from NWSSP Procurement Services and NWSSP Finance.

The Group shall Co-opt an Account Manager of the framework provider (CCS) for each meeting of the WEOG to provide market intelligence and discuss matters arising in relation to the Gas and Electricity contracts. Additionally, the group shall Co-opt a commodity supplier representative on a bi-monthly basis to facilitate account management discussions.

It may be necessary for separate Task & Finish group(s) to be established in order to undertake specifically defined programmes of work with clear objectives and timescales. In such instances, the WEG will determine the remit and membership of such groups and the resultant groups will report progress and deliverables to the WEOG and WEG where appropriate.

Quorum – The minimum group representation required to make any decision shall be the Chair of the Group (or the Vice Chair), the Head of Sourcing from NWSSP Procurement Services (or a deputy nominated by the same) and sufficient additional members so that there are no less than seven member organisations represented at the meeting.

Role of the Groups

WEG

- To ensure a consistent approach to the procurement / sourcing of Gas and Electricity throughout all aspects of the NHS in Wales.
- To input into the development of a strategic procurement model for Gas and Electricity contracts within NHS Wales.
- To provide a platform for the framework provider to share utility market intelligence with all Health Boards, Special Health Authorities, NWSSP and Trusts within NHS Wales.
- To develop, agree and manage the Purchasing Strategy for the All-Wales Gas and Electricity contracts having received market intelligence and actual price/contract performance, and agree in a timely manner national purchasing decisions (i.e. basket choice).
- To monitor contract performance with the WEOG representative/s providing an update of performance of the Gas and Electricity contracts.
- To monitor NHS Wales Gas and Electricity forecasts as provided by the supplier and supply regular financial forecasts to all member NHS organisations.
- To nominate NHS Wales member(s) as required for participation in the suppliers External Risk Management (ERM) group
- To ensure that the Terms of Reference for the WEG/WEOG are reviewed each year .

WEOG

- To ensure a consistent approach to the contract management of the supply of all utilities (including but not limited to Gas, Electricity, Fuel Oils, and Biomass) throughout all aspects of the NHS in Wales.
- To allow all parties to discuss their respective levels of satisfaction in respect of those Services provided via all Contracts managed by the WEOG and to agree any action necessary to address areas of dissatisfaction.
- To monitor and discuss the performance of supplier(s) against the terms of the All-Wales Utilities contracts and (where necessary) agree a strategy for enforcing said contractual terms, including (but not limited to) the use of performance improvement notices, financial penalties and termination of contracts.
- To support the role of the Local Estates and Energy leads by enabling a collaborative approach to contract management.
- To agree and monitor Key Performance Indicators for All Wales Utilities contracts.
- To consider any changes required to the supply of utilities in line with national policies and strategies as they change and develop.
- To provide an update of performance of Gas and Electricity contracts to WEG, by nominated person/s.
- To nominate NHS Wales member(s) as required for participation in the suppliers Operational Improvement Group (OPIG)
- To ensure that the Terms of Reference for the WEG/WEOG are reviewed annually

Market Analysis

WEG

The framework provider will provide a market overview prior to the development of a Purchasing Strategy by WEG. The framework provider will not influence the development of the strategy and decisions will be verbally agreed by NHS Wales WEG attendees.

The Purchasing Strategy will decide basket(s) for NHS Wales to join, and should multiple baskets be selected, define meter level criteria for basket participation.

The framework provider shall provide monthly/quarterly/annual market and basket analysis as required by NHS Wales, which will be distributed to the WEG and WEOG by NWSSP Procurement Services.

WEOG

The framework provider shall provide monthly/quarterly/annual market and basket analysis as required by NHS Wales, which will be distributed to the WEG and WEOG by NWSSP PS.

Authority and Accountability

NWSSP Procurement Services has the authority to conduct market engagement activity, on behalf of all Health Boards, Special Health Authorities, NWSSP and Trusts, in NHS Wales, from the governance divested in NHS Wales Shared Services Partnership.

The WEG is under the authority of NHS Wales Shared Services Partnership Committee and therefore will be required to submit an update/highlight report to each meeting of the NHS Wales Shared Services Partnership Committee as instructed.

WEG

All decisions made by the WEG should ideally be via the consensus of all member organisations in attendance at the relevant WEG meeting. In the event that consensus cannot be reached, a decision will be made by means of a vote whereby each member organisation will have a single equal vote and a decision based on the view of the majority. NWSSP Procurement Services will have no vote. In the event of a tied result, the Chair of the Group will have the casting vote.

The WEG is a sub-Committee of the Shared Services Partnership Committee. The All-Wales Directors of Finance Group will be responsible for nominating a Chair and Vice Chair for the WEG from within NHS Wales once every two years or as necessitated due to the resignation of the previous Chair. The Shared Services Partnership Committee will be responsible for appointing the Chair and Vice Chair. Individuals will not be restricted from undertaking these roles for longer than two years provided that the Shared Services Partnership Committee approve, and All-Wales Directors of Finance Group is in favour of their continued tenure

WEOG

All decisions made by the WEOG should ideally be via the consensus of all member organisations in attendance at the relevant WEOG meeting. In the event that consensus cannot be reached, a decision will be made by means of a vote whereby each member organisation will have a single equal vote and a

decision based on the view of the majority. NWSSP Procurement Services will have no vote. In the event of a tied result, the Chair of the Group will have the casting vote.

The WEG will be responsible for appointing a Chair for the WEOG from within NHS Wales once every two years or as necessitated due to the resignation of the previous Chair. The WEG will also appoint a Vice Chair. Individuals will not be restricted from undertaking these roles for longer than two years provided that the WEG is in favour of their continued tenure.

The WEOG shall also have the authority to agree the award and renewal of supply agreements for other utilities contracts (Fuel Oils and/or Biomass) on behalf of the Health Boards, Special Health Authorities, NWSSP and Trusts, in NHS Wales.

Performance Monitoring and Financial Forecasting

The framework provider shall be required to produce quarterly reports outlining the overall performance of trading on behalf of NHS Wales. This will include analysis of the traded periods in comparison to the average market price for each tradable period and information provided by the Department for Energy Security and Net-Zero. This report shall evidence the overall pricing activity carried out in relation to the pure energy components of each contract only. Whilst the Group will acknowledge the impact of transmission, transportation, and other industry pass through costs, no accountability will be borne by the group in this respect. This report will be provided at each quarterly meeting of the WEG and will be distributed onwards to WEOG members by NWSSP Procurement Services.

The framework provider shall also be required to produce an annual report each financial year providing a forecast of out-turn costs for each NHS Wales organisation for that financial year. By request, they will also be required to provide forecasts of utilities costs for future years as may be required to meet IMTP planning requirements.

Frequency of meetings

The WEG shall meet on a quarterly basis as a minimum. The Group will, at its discretion, agree intermediate meetings if these are deemed to be warranted. The WEOG shall initially meet on a monthly basis and at its discretion, may amend the frequency of the meetings and agree intermediate meetings if required.

Content of meetings

Each of the WEG meetings will consist of the following activities.

- Brief internal pre meeting to enable discussion for NHS members prior to main meeting forum (The framework provider will not be at the pre meeting) .
- Approve the minutes of the previous WEG meeting and review agreed actions.
- Review of the energy market activity, trends and factors which influence commodity pricing (to be provided by the framework provider).
- WEG member to provide feedback from the suppliers External Risk Management (ERM)
- Review of the performance of the WEG Purchasing(baskets) as executed by the framework provider
- Review of Gas and Electricity supplier(s) performance, including any agreed KPIs and improvement actions – with summary to be provided by nominated person/s from WEOG.
- Framework provider's report of any change to pass-through costs to enable member organisations to project total energy costs.
- Updates on specific projects and activity of any separate Task & Finish group(s).

Each of the WEOG meetings will consist of the following activities.

- Brief pre internal meeting to enable discussion for NHS members prior to main meeting forum with framework provider and supplier(s) present. (The framework provider will not be at the pre meeting)
- Approve the minutes of the previous WEOG meeting and review agreed actions.
- Review of framework providers summary market report on those factors currently affecting utility pricing.
- Supplier risk (framework provider to highlight any risk of note)
- Review of supplier performance, including any agreed KPIs and improvement actions.
- Supplier's presentation of any information requested by the Group, for example billing, Complaints etc
- Framework provider's report of any change to pass-through costs to enable member organisations to project total energy costs.
- Any potential new/deleted sites affecting volumes to be flagged
- Updates on specific projects and activity of any separate Task & Finish group(s).
- WEOG member to provide feedback on the CCS Operational Improvement Group

While it is acknowledged that the WEOG will focus on Gas and Electricity contracts, the Group's meeting agenda will also include review of other Utility contracts, such as Fuel Oils and Biomass, at least once per annum. The inclusion of such contracts as part of the agenda will be notified to the Group in advance. This will enable additional personnel as may be required to be co-opted into the Group for those specific meetings where other Utility contracts will be discussed.

Insert - NHS Wales Organisation Board

Revised Energy Governance & Procurement Arrangements for NHS Wales

This paper outlines a proposed and recommended approach to revising the All Wales NHS Energy Governance & Procurement management arrangements for 2023/24.

Executive Summary

The NHS Wales procurement arrangements for purchasing Energy (Gas & Electric) have been in place since 2005 and pre-dates the current NHS organisational structure.

Given the exceptional energy price increases and volatility experienced during 2022/23, there was a review undertaken by the All Wales Directors of Finance group (AWDoFs) to consider current arrangements and how they may be strengthened and made more sustainable for the future.

The current situation has been assessed, options have been considered and benefits identified to support the recommended approach.

In addition the current Energy provider 'British Gas Business' (BGB) have confirmed they will be exiting the industrial & commercial market in the future and will not be offering a renewed contract option. As such a new provider has been sought and Crown Commercial Services are judged to offer the best option for NHS Wales.

The proposal recommended in this paper aims to:

- Continue with the All Wales 'Once for Wales' approach
- Establish a revised compliant procurement arrangement with Crown Commercial Services for NHS Wales – managed through NWSSP
- Establish a new Wales Energy Group (WEG) & a Wales Energy Operational Group (WEOG) as a sub group to the WEG, which will report to the NWSSP Board.

Recommendation

The Board is recommended to approve the proposed approach to Energy procurement governance arrangements, including;

- The revised governance group arrangements, and
- The proposed new Energy procurement contractual arrangements with Crown Commercial Services

Situation

The current global energy price crisis has driven significant volatility in the market place with price increases not previously experienced. The AWDoFs group has considered the need to review and revise the current governance and procurement arrangements in light of the issues currently being experienced.

Given the historical long standing Energy management arrangements via the 'Energy Price Risk Management Group' (EPRMG), there is a recognised need to ensure future governance arrangements are appropriate and the operational management and procurement arrangements are aligned to explicit delegated responsibilities of the current NHS bodies in Wales. Additionally, a resilient and sustainable solution is required which must be less onerous and time consuming and less reliant on a few experts in order to make the process more manageable.

Background

Current national governance arrangements for management and procurement are described below.

All Wales NHS - Energy Price Risk Management Group (EPRMG)

- Established in 2005, when energy was administered by Welsh Health Common Services Authority (WHCSA) for NHS trusts.
- Decisions on when and how much to purchase is taken by EPRMG, chaired by an NHS Director of Finance (NB. The Same DoF has led this since its inception & is considering retirement)
- Membership from All NHS organisations and NWSSP, generally estates, procurement and finance staff
- Purchasing Strategy determined by EPRMG based on Market Analysis, Current Prices and Inherent Risk
 - Traditionally meetings held 4-6 times per annum
 - Currently on a weekly basis
 - During periods of extreme volatility in the last year – 3 meetings a week
- Daily Monitoring of prices undertaken jointly by DoF as EPRMG chair and NWSSP which allows prices to be tracked and tranches of volumes secured when appropriate – benchmarking shows strong historical performance
- EPRMG TORs suggests that the group is established as a sub group under the AWDOFs group and is “accountable to the Directors of Finance” in HBs and Trusts

All Wales Procurement of Energy Contracts

- Procurement for All Wales Energy contracts is undertaken by NWSSP (excludes PFI and leasehold properties)
- Gas and Electricity is supplied by BGB through two All Wales Contracts
 - Power (electricity) – let 2015; extended May 2022; contract end date 31 March 2025
 - Gas – commenced 1 April 2022; contract end date 31 March 2027
- Ability to purchase Energy on a Monthly or Quarterly basis through multiple tranches
- Market Experts provide ‘In Person’ monthly Market Analysis and daily Market Overview Briefing documents
- Contracts permit tranches of energy to be forward purchased via the British Gas trading desk

Context

The current situation which is advocating the need to refresh management governance arrangements and the requirement to consider revised procurement arrangements are presented below:

- Energy Market ‘spiked’ inexplicably in Autumn 2021
 - Expected to be short lived because there were no underlying factors such as ‘outages of processing’ or shortage of supply
 - When Markets began to reduce to lower levels, Russia invaded Ukraine in Spring 2022
 - When Markets show sign of reducing to lower levels, flows by Gazprom reduce/stop
 - Supply/Demand in Europe is finely balanced due to closure of Nuclear and Coal Plants and loss of Oil and Gas supply from Russia
 - UK appears sufficiently supplied but there are pipelines for both Gas and Electricity to Europe – Energy operates on a Global price Market basis
 - The outlook and market direction for energy remains unpredictable

Between August '21 and August '22 NHS Wales energy prices rose by 670% for Gas (£44 to £281 per therm) and 484% for Electricity (£40 to £218 per Mega Watt hour) – these are prior to the non-recurrent government price cap support.

Management Governance -

- EPRMG TORs states that “representatives should have delegated authority of their respective organisations” – given the establishment in 2005 it is unclear whether this is explicitly in place for current organisation structures.
- NHS Energy Management in Wales report (Wales Audit Office, Dec-2005) notes that Welsh Health Supplies had established an energy price risk management group to agree, in advance, target price thresholds with “decision-making delegated further down the management chain than is normal”.

Procurement –

- BGB announcement in Aug-22 of withdrawal from industrial and commercial sector but will honour current contracts.
- While there is a termination period under the contract, there is an option to terminate early without penalty being discussed with BGB to allow for a new arrangement to be put in place

Resilience & Sustainability

- Expertise is limited to a single DoF who is considering retirement
- Meetings were 4 to 6 times per year and are now up to 3 times per week
- A refreshed arrangement is required to manage the current volatility more sustainably

Assessment & Proposal

The volatility of the current global economic environment, particularly impacted by the Ukraine crisis, is affecting the energy market globally, with significant volatility being experienced. While the UK government is supporting costs with ‘caps’, this is not recurrent and a future proofed solution is required for NHS Wales.

The key points identified above for ‘context’ support the need to refresh management arrangements for NHS Wales (this could potentially grow to Public sector Wales, but this paper focusses on proposals for NHS Wales as a priority).

An AWDoFs Task & Finish Group was established to progress a review, consider options and make recommendations.

Management Options

The AWDoFs considered several permutations and options including;

- Continuing with EPRMG in current form
- Retaining decisions at organisation level (no national procurement)
- Establishing a revised all Wales approach, with clear organisational Board delegation for decision making and monitoring

The preferred option is to establish a revised all Wales approach, with clear organisational Board delegation for decision making and monitoring. This includes;

- Advocating the continuation of the All Wales, ‘Once for Wales’ approach – ie. single decisions for all NHS Wales procurement.
- NWSSP Board (**NWSSPB**) to act as the oversight Board for All Wales Energy Purchasing.

- Establish a new Wales Energy Group (**WEG**) - with delegated authority to agree national purchasing decisions (ToR and membership tbc) & report to NWSSPB – to meet quarterly.
- Establish a new Wales Energy Operational Group (**WEOG**) as a sub-group to the WEG – for operational management issues (TOR and membership tbc) -to meet monthly

Procurement Options

NWSSP undertook market analysis to identify alternative service providers and contractual routes to market with a view to replace BGB as the business intelligence provider and market interface for Energy procurement.

Public Sector Procurement Organisations (Energy Framework Agreements)

A number of public sector buying organisations (and associated Framework Agreements) were reviewed as follows:

- Crown Commercial Services (CCS)
- LASER Energy Services (operated by Kent County Council)
- North East Procurement Organisation (NEPO)
- Yorkshire Purchasing Organisation (YPO)

The largest, consolidated energy provision contractual arrangement has been identified as CCS. The combined expenditure of the remaining three organisational frameworks above and combined with a range of smaller public sector organisations is estimated to be approximately 30% of the total CCS public sector energy expenditure.

Commercial Brokers

Other NHS Trusts in England utilise commercial brokers as advised by CCS. Three of the largest are:

- Inspired Energy
- Energy Information Centre
- Inenco

CCS estimate that all commercial brokers combined would not reach 1/3 of CCS total public sector spend.

Alternative Frameworks

In addition to the above, CCS estimate that 6-8 English NHS Trusts utilise NHS Countess of Chester Hospital framework, and some Trusts source energy themselves as per NHS Wales' current arrangements.

Energy Consultancy

At present no such consultancy is available within the market outside of the energy brokerage and procurement organisation options stated above. As a consequence, the recommendation is that the WEG will be established with delegated authority to make purchasing decisions for energy. The key decisions will be around "basket selection" and are therefore anticipated to be less frequent than the current process with commitments for periods of 6 months through to 30 months dependent on type of basket selected.

Contract Proposal

The current Energy market landscape has highlighted exposure to risk of utilities supply. This has been demonstrated by a few suppliers who have dissolved over the past 12 months in particular. Additionally, the reduced number of participants within the larger I&C supply market means procurement exercises will be subject to reduced or no competition.

In addition to aggregation benefits that the CCS RM6011 framework can offer, the benefit of collaborating with other public sector organisations within the CCS family (customer base) in this time of huge energy market uncertainty will enable NHS Wales to have a protected market supply whereby the UK government can intervene in case of emergencies/force majeure. Therefore, the option to join the CCS framework should be considered.

CCS have the largest aggregated public sector energy spend in the UK with 1104 customers for supply period fy 22/23. This is made up of 34% Central Government, 35% NHS, and 31% wider public sector. For fy 21/22 approximately 60% of NHS England trusts utilised the framework. The scale of CCS energy team of circa 36-colleague would offer NHS Wales security that the sourcing of energy would be handled appropriately by a team of energy experts and analysts. CCS have indicated that their independent risk management strategy group would welcome NHS Wales colleague/s to participate in their risk strategy governance.

CCS offers several Baskets which are either locked (prices are secured prior to delivery period) or variable (purchasing continues into the delivery period). Variable 30 is the most comparable basket compared to NHS Wales' current flexible trading arrangement. However, further information and data analysis can be provided by CCS to aid and inform the decision of basket(s) that NHS Wales may consider utilising. CCS confirmed that it is possible for different NHS sites to utilise different basket options to manage the portfolio across NHS Wales appropriately.

In addition to the basket options, there are also bespoke baskets for consideration. CCS have indicated that they would not be willing at this stage to consider creating a new bespoke basket for NHS Wales, but that the option to join existing bespoke baskets may be available.

CCS have confirmed that fees for utilising the framework are charged at meter level and are based on an annual fixed fee which is paid monthly within non-commodity charges. They estimate based on NHS Wales portfolio that the annual fee would be circa. £100k. Consideration should be taken for the reduced resource and time requirements of NHS Wales staff across the EPRMG, Energy team and finance team who are involved in purchasing strategy and currently meet weekly. This has increased to as frequent as 3-times per week at the start of the Ukraine conflict. Interaction and communication between the Energy team and BGB trading desk takes place several times per day.

The transfer of purchasing arrangements is expected to take approximately 6 months to allow for a termination of the BGB contract and the new establishment of the CCS contract.

Recommendation

It is recommended that NHS Wales commences negotiation with BGB to discuss the early exit of both contracts NMD-OJEU-36871 Supply of Natural Gas, and AW3642 Supply of Electricity and progresses the process of joining CCS framework RM6011 Supply of Energy and Ancillary Services for both Gas and Electricity by no later than the **15 March 2023** deadline. Consideration and insight should be given to which basket choices would be most suitable for NHS Wales' portfolio.

Benefits

The proposed changes will create a more sustainable arrangement for Energy purchasing for NHS Wales which will:

- Re-align and make explicit management governance and delegated decision making with current NHS Wales organisational structures.
- Provide clarity on the future of Energy procurement arrangements for NHS Wales
- Improve resilience in future decision making and monitoring

Conclusion

The proposal recommended in this paper aims to:

- Continue with the All Wales 'Once for Wales' approach
- Establish a revised compliant procurement arrangement with Crown Commercial Services for NHS Wales – managed through NWSSP
- Establish a new Wales Energy Group (WEG) & a Wales Energy Operational Group (WEOG) as a sub group to the WEG, which will report to the NWSSP Board.

The Board is recommended to approve the proposed approach to Energy procurement governance arrangements, including:

- **The revised governance group arrangements, and**
- **The proposed new Energy procurement contractual arrangements with Crown Commercial Services**

NWSSP PROCUREMENT SERVICES CONTRACT RATIFICATION PAPER

Current Contract Reference:	Supply of Natural Gas NMD-OJEU-36871 Supply of Electricity AW3642 (over & sub 100KW Sites)
Current Contract Period:	Gas: 1st April 2022 to 31st March 2027 (with 3-year compliant extension option) Electricity: 1st April 2015 to 31st March 2025
Value of Current Contract:	Gas fy 22/23 – £63,634,844* Gas fy 23/24 - £71,076,501** Power fy 22/23 - £57,868,334* Power fy 23/24 - £88,730,862**
Proposed New Contract Period:	From 1 st October 2023 until notice of termination is served

*mid-view forecast including EBRS Winter 22 (Oct 22 to Mar 23), provided by BGB 25.01.2023

**mid-view forecast not including EBRS for any period, provided by BGB 27.01.2023

• Market Overview

The global energy market has been experiencing unprecedented volatility in recent times, and particularly since mid-2021. Whilst market prices were low during the height of the pandemic (2020), there are numerous influences that have led to the upward trend volatility, which include – but are not limited to – the following contributors:

- Covid recovery last year across global markets.
- Tensions in Ukraine with Russian troop build-up and NS2 project
- Multiple UK supplier failures
- Infrastructure constraints either through outages or planned closures
- Russian Invasion of Ukraine
- Countries across the globe started imposing economic sanctions on Russia, coal and oil included but not gas
- Nordstream 2 cancelled
- EU plan to reduce dependency on Russian commodities (REPowerEU)
- Russia demand for payment for gas in Rubles

More recently, further factors that have contributed to the volatility are:

- Gazprom cut off multiple countries in Ruble payment row
- Nordstream 1 turbine issues
- Russian flows ceased
- US Freeport LNG fire
- Some European countries increased gas emergency warning to level 2
- China Covid-19 lockdowns damping demand
- European ban on Russian coal and oil

- Low French nuclear power generation forecast
- Strong CCGT (gas) generation and UK Elec exports to continent
- BEIS asked National Grid to explore options to bolster winter security
- Strong supplies of LNG to North-West Europe
- European Storage Levels optimised
- Government Interventions

Information source: CCS NHS Wales Energy Presentation Nov 22 and BGB Market Information Nov 22

Market volatility has led to 'a perfect storm' whereby uncertainty within the market has led to less liquidity. This in turn has led to fewer participants willing to buy and sell gas/power which led to significant price increase. Price rises have led to credit issues with some suppliers which in turn causes liquidity issues. And so, the cycle continues.

The Industrial & Commercial (I&C) sector has become less attractive with the heightened risk associated. What was an already limited supply market commonly referred to as 'the big 6' has seen 2 suppliers make announcements in 2022 regarding supply of the I&C market. Scottish Power announced their withdrawal from the I&C market in March 2022, and BGB advised of their withdrawal from larger I&C customer accounts in August 2022 (although no formal press release has been issued by BGB, see Appendix 1 – formal document received from BGB).

As detailed below, the recent NWSSP gas tender (2021) resulted in only 2 bids being received. Of these 2 bidders, BGB has now withdrawn from the larger customer I&C market – which further validates the concern that a procurement exercise on behalf of NHS Wales would be subject to little or no competition and interest.

- **Contract Overview**

Energy Purchasing Arrangements

NHS Wales currently procures both gas and electricity via a flexible purchasing model that allows NHS Wales to manage its exposure to price fluctuations by securing pricing via live market prices. The process for securing the commodity price is managed through the Energy Price Risk Management Group (EPRMG), which determines the purchasing strategy and provides oversight of the utility's contracts. The group includes representation from Procurement Services as well as knowledgeable personnel from all participating Health Boards/Trusts (Energy Managers, Finance colleagues etc.).

Gas

NHS Wales current contract for supply of Natural Gas NMD-OJEU-36871 runs from 1st April 2022 until 31st March 2027, including the option for 3-year extension. A restricted procedure under the OJEU was undertaken, with 4 suppliers passing the PQQ stage and subsequently 2 choosing to submit a final tender. Owing to the commodity and non-commodity costs being beyond the control of the contract, the only measurable commercial aspect considered was the management fee charged by the Utility Supplier (it should be noted that the value of this element is extremely low in comparison to the overall contract). Owing to this limited financial scope, combined with concerns re the quality of service on the previous contract, the award criteria & weightings were Quality 70%, Commercial 30%. Following evaluation in accordance with the published award criteria and scoring methodology, the incumbent supplier British Gas Business (BGB) scored higher overall and were therefore awarded the contract.

Gas Forecast Value Breakdown by Organisation

Organisation	Mid View Forecast FY2022/23*	Mid View Forecast FY2023/24**
Cardiff & Vale UHB	£14,045,652	£16,140,535
Cwm Taf Morgannwg UHB	£7,464,761	£8,487,698
Aneurin Bevan UHB	£11,038,221	£12,197,332
Swansea Bay UHB	£7,612,174	£7,580,512
Betsi Cadwaladr UHB	£14,078,447	£15,957,038
Hywel Dda UHB	£6,565,363	£7,395,889
Powys THB	£1,561,674	£1,790,750
Velindre University NHS Trust	£529,106	£676,900
Welsh Ambulance Service Trust	£544,716	£615,089
NHS Wales Shared Services Partnership	£94,362	£112,435
Health Education and Improvement Wales	£43,945	£56,214
Public Health Wales	£56,423	£66,109
TOTAL	£63,634,844	£71,076,501

*FY 2022/23 mid-view forecast including EBRS Winter 22 (Oct 22 to Mar 23), provided by BGB 25.01.2023

**FY 2023/24 mid-view forecast not including EBRS for any period, provided by BGB 27.01.2023

Electricity

NHS Wales current contract initial period was from 1st April 2015 to 31st March 2020 and included the option for up to 60 months compliant extension. Before the current contract extension, the contract had been extended to 30th September 2022. The energy market has experienced extreme volatility since approximately mid-2021, which had led to unprecedented market prices and several Utility companies going into administration. Due to these factors, coupled with the NHS Wales position of being unable to secure electricity beyond 30th September 2022, the EPRMG agreed at the end of 2021 that NWSSP PS should endeavour to secure a contract extension for the final compliant period to 31st March 2025.

Management fee and balance/imbalance fee formed part of this negotiation; however, it must be noted that the largest factor was the price of Renewable Energy Guarantee of Origin certificates (REGO's). NHS Wales were purchasing at a cost of £0.60/MWh, and the price had risen substantially at the time of extension negotiations (this rise was partly attributed to the push for carbon neutrality and validated by benchmarking with Crown Commercial Services (CCS) and NHS England). NHS Wales were purchasing REGO certificates from natural sources (i.e., wind power, solar power, geothermal power, wave power and tidal power) and following EPRMG meeting discussions, the group decided to continue to purchase REGO's from natural sources for the initial 18-month contract extension period. BGB agreed to provide NHS Wales with periodic REGO pricing information to allow NHS Wales to react to any upwards market trend by fixing accordingly. The extension was finalized on 13th May 2022, which then allowed NHS Wales to make purchases until 31st March 2025.

Welsh Government have given a commitment to NHS organisations to manage centrally the FY-2022/2023 risk of increase in energy prices. Having brought to the attention of Welsh Government the cost implications of continuing to purchase REGO certification for natural source power, they confirmed that certification costs can be included in the funding to support NHS Wales in terms of providing further in-year funding at an appropriate point.

Electricity Forecast Value Breakdown by Organisation

Organisation	Mid View Forecast FY2022/23*	Mid View Forecast FY2023/24**
Betsi Cadwaladr UHB	£13,663,300	£20,129,763
Cardiff & Vale UHB	£8,594,044	£13,638,712
Aneurin Bevan UHB	£9,830,566	£15,374,984
Cwm Taf Morgannwg UHB	£6,908,152	£10,823,271
Swansea Bay UHB	£8,571,279	£13,170,065
Hywel Dda UHB	£6,065,413	£9,172,996
Velindre University NHS Trust	£1,581,846	£2,571,871
Powys THB	£1,113,576	£1,603,445
Digital Health and Care Wales	£145,685	£221,555
Welsh Ambulance Service Trust	£797,089	£1,137,169
Public Health Wales	£266,397	£373,842
Health Education and Improvement Wales	£88,980	£142,815
NHS Wales Shared Services Partnership	£242,006	£370,373
TOTAL	£57,868,334	£88,730,862

*FY 2022/23 mid-view forecast including EBRS Winter 22 (Oct 22 to Mar 23), provided by BGB 25.01.2023

**FY 2023/24 mid-view forecast not including EBRS for any period, provided by BGB 27.01.2023

BGB Announcement

In August 2022, as detailed above BGB notified NHS Wales that it was their intention to withdraw from the larger accounts of the Industrial & Commercial market (I&C). British Gas Business assured NHS Wales through both written and verbal communication during EPRMG meetings, that it was the intention of BGB to honour all aspects of the current contract in a 'business as usual' manner. The fundamental change resulting from the announcement was that the ability to extend the contract utilising the 3-year compliant extension option was no longer possible, as BGB would not be willing to agree to this. In addition, BGB confirmed that they would no longer be prepared to bid for a future contract. Contractually NHS Wales is subject to an early exit fee. However, recent discussion with BGB has indicated that if this transition project was implemented as agreed and followed accurately then it would be unlikely that a termination fee would be applied as all hedging/volumes would form part of that discussion and project management piece. BG have provided an indicative timeline of 6 months for transition and the expiry date should be at the end of a season (therefore either 30th September 2023 or 31st March 2024).

• Market Research

Prompted by the BGB announcement, the EPRMG requested that alternative procurement routes be investigated to inform NHS Wales of future procurement decisions for the purchase of Gas and Electricity.

CCS

CCS framework RM6011 Supply of Energy and Ancillary Services was identified as a suitable option and NWSSP Procurement Services (NWSSP PS) were requested to undertake a benchmarking exercise. Due to the expertise required to carry out such a benchmarking exercise, CCS colleagues supported this in collaboration with NWSSP PS, and produced benchmarking documents for fy

20/21, 21/22, and 22/23. The current broad purchasing strategy adopted for fy 22/23 at time of benchmarking, was to purchase on month ahead where forward risk factoring had been reduced. Owing to this strategy, at time of benchmarking (mid-September 2022) NHS Wales' position for fy 22/23 was largely unsecured beyond September 22. Therefore, large percentages of both commodity prices were based on open market prices which were not necessarily reflective of the prices that NHS would secure. In combination with this factor was the knowledge that the UK Government had announced the Energy Bill Relief Scheme (EBRS), with the final details and mechanics yet to be confirmed. It was therefore deemed that the 22/23 benchmarking data did not reflect accurately owing to these reasons and should not be presented alongside the previous financial years benchmarking. A summary of the benchmarking outcome is shown in the below table:

Commodity	Period (Financial year)	NHS Wales – achieved WAP p/KWh	CCS – achieved WAP p/KWh spread*
Gas	20/21	1.50	1.30 to 1.92
Gas	21/22	1.94	1.81 to 2.59
Electricity	20/21	5.00	4.72 to 5.52
Electricity	21/22	10.43	4.90 to 6.55

*Based on 4 CCS Basket options available during benchmarked period. Prices include estimated p/KWh CCS fee equivalent charge – Actual CCS fee is paid annually per meter within non-commodity charging mechanism.

NHS Trust References

NWSSP PS requested reference sites from NHS England trusts utilising the CCS framework. CCS have since provided this, and the intention is to invite referees to an EPRMG meeting to facilitate questions and clarifications in relation to their experiences of utilising the CCS RM6011 framework.

Public Sector Buying Organisations

The following public sector buying organisations are alternatives to CCS

- LASER (owned by Kent County Council)
- NEPO
- YPO

When combined with smaller public sector organisations, it is estimated that these organisations' (large and small) total spend is equal to approximately 30% of CCS public sector spend of £2.1bn.

Commercial Brokers

Other NHS Trusts in England utilise commercial brokers as advised by CCS. Three of the largest are:

- Inspired Energy
- Energy Information Centre
- Inenco

It is estimated that all commercial brokers combined would not reach 1/3 of CCS total public sector spend.

Alternative Frameworks

In addition to the above, it is estimated that 6-8 English NHS Trusts utilise NHS Countess of Chester Hospital framework, and some Trusts source energy themselves as per NHS Wales' current arrangements.

- **Contract Proposal**

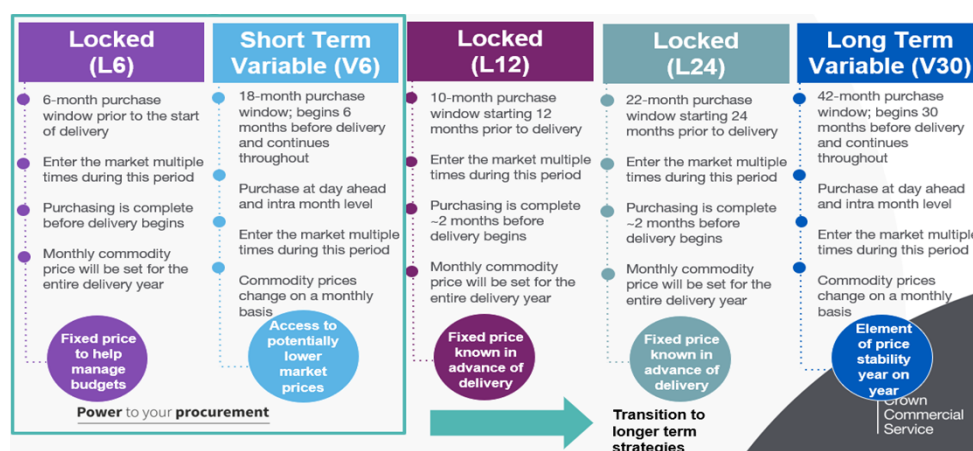
The current Energy market landscape has highlighted exposure to risk of utilities supply. This has been demonstrated by a few suppliers who have dissolved over the past 12 months in particular. Additionally, the reduced number of participants within the larger I&C supply market means procurement exercises will be subject to reduced or no competition.

In addition to aggregation benefits that the CCS RM6011 framework can offer, the benefit of collaborating with other public sector organisations within the CCS family (customer base) in this time of energy market uncertainty will enable NHS Wales to have a protected market supply whereby the UK government can intervene in case of emergencies/force majeure. Contracts currently in place do not offer such protection and volatility experienced in recent time resulting in suppliers' liquidation has highlighted the vulnerability of supply chain. Therefore, consideration should be given to the value-added benefit and assurance of protection that this collaborative approach under the UK Government's framework would provide to NHS Wales.

CCS have the largest aggregated public sector energy spend in the UK with 1104 customers for supply period fy 22/23. This is made up of 34% Central Government, 35% NHS, and 31% wider public sector. For fy 21/22 approximately 60% of NHS England trusts utilised the framework. The scale of CCS energy team of circa 36-colleague would offer NHS Wales security that the sourcing of energy would be handled appropriately by a team of energy experts and analysts. CCS have indicated that their independent risk management strategy group would welcome NHS Wales colleague/s to participate in their risk strategy governance.

CCS offers several Baskets which are either locked (prices are secured prior to delivery period) or variable (purchasing continues into the delivery period). Variable 30 is the most comparable basket compared to NHS Wales' current flexible trading arrangement. However, further information and data analysis can be provided by CCS to aid and inform the decision of basket(s) that NHS Wales may consider utilising. CCS confirmed that it is possible for different NHS sites to utilise different basket options to manage the portfolio across NHS Wales appropriately. Features and benefits of basket options available are illustrated in the below table.

CCS Basket Options – *Commercially Sensitive Information*



In addition to the above basket options, there are also bespoke baskets for consideration. CCS have indicated that they would not be willing at this stage to consider creating a new bespoke basket for NHS Wales, but that the option to join existing bespoke baskets may be available.

CCS have confirmed that fees for utilising the framework are charged at meter level and are based on an annual fixed fee which is paid monthly within non-commodity charges. They estimate based on NHS Wales portfolio that the annual fee would be circa. £100k. Consideration should be taken for the reduced resource and time requirements of NHS Wales staff across the EPRMG, Energy team and finance team who are involved in purchasing strategy and currently meet weekly. This has increased to as frequent as 3-times per week at the start of the Ukraine conflict. Interaction and communication between the Energy team and BGB trading desk takes place several times per day.

- **NHS Wales Meetings and Discussions**

The position of energy supply to NHS Wales has been an agenda point at NHS Wales Director of Finance (DoF) meetings following the announcement by BGB in 2022. NWSSP presented to the group an overview of the current NHS Wales contractual position, information on the CCS RM6011 framework option, and fy 20/21 and 21/22 benchmarking outcomes. An All-Wales DoF Forum Task and Finish Group was formed in December 2022 consisting of DoF, Deputy DoF and Director of Procurement, responsible with progressing the matter to a suitable point in which a decision could be reached by DoF to switch current energy provider and route to market via CCS. Acknowledging the tight timescales to make a commitment to join the CCS baskets by mid-March 2023 deadline, combined with the required governance, this project was progressed at speed.

In parallel to DoF's discussions, stakeholders within the EPRMG were engaged on this matter and meetings held on 3rd and 25th November 2022 to discuss the proposed switch. CCS attended the latter to present a brief overview of their framework and answer questions from the group. The next steps from this meeting were to seek further clarification to inform NHS Wales on the option to join the CCS framework.

Governance Review

In addition to progressing the project, the All-Wales DoF Forum Task and Finish Group have been tasked with reviewing the governance, resilience, and efficiency for managing the current and future contract.

- **Recommendation**

It is recommended that NHS Wales progress the arrangements to facilitate a move to CCS framework RM6011 Supply of Energy and Ancillary Services for both Gas and Electricity by the 15th March 2023 deadline. In parallel to this, NHS Wales should proceed with the appropriate necessary action with British Gas to exit the current arrangements.

Appendix

Appendix 1 – BGB Announcement Formal Communication



NHS Letter Exit from
Larger I&C Market Ac



GIG
CYMRU
NHS
WALES

Partneriaeth
Cydwasaethau
Shared Services
Partnership

AGENDA ITEM:

23 September 2023

The report is/is not Exempt

Teitl yr Adroddiad/Title of Report

Update on the Annual Performance Appraisal Review of NWSSPC's Chair

**ARWEINYDD:
LEAD:**

Gareth Hardacre, Director of People, OD & Employment Services

**AWDUR:
AUTHOR:**

Gareth Hardacre, Director of People, OD & Employment Services

**SWYDDOG ADRODD:
REPORTING OFFICER:**

Gareth Hardacre, Director of People, OD & Employment Services

**Pwrpas yr Adroddiad:
Purpose of the Report:**

The purpose of this report is to update Committee Members on the progress with the annual appraisal for NWSSPC's Chair.

Llywodraethu/Governance

**Amcanion:
Objectives:**

The principal aim is to ensure the annual appraisal is a valuable and valued undertaking that provides an honest and objective assessment of a chair's impact and effectiveness, while enabling potential support and development needs to be recognised and fully considered.

**Tystiolaeth:
Supporting evidence:**

Published Best Practice arrangements have been considered as part of the review.

Ymgynghoriad/Consultation :

Chair and Director of People, OD & Employment Services

Adduned y Pwyllgor/Committee Resolution (insert ✓):

**DERBYN/
APPROVE**

**ARNODI/
ENDORSE**

**TRAFOD/
DISCUSS**

**NODI/
NOTE**

✓

**Argymhelliad/
Recommendation**

The Committee is asked to note the progress made in completing the annual appraisal of the Chair.

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact.
Cyfreithiol: Legal:	No direct impact.
Iechyd Poblogaeth: Population Health:	No direct impact.
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct impact.
Ariannol: Financial:	No direct impact.
Risg a Aswiriant: Risk and Assurance:	No direct impact.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf Governance, Leadership and Accountability
Gweithlu: Workforce:	Ensures that the Chair is afforded the same opportunity as all employees to gain feedback on performance via the Annual appraisal process.
Deddf Rhyddid Gwybodaeth/ FOIA	Open

1. BACKGROUND

The Chair of NWSSP was recruited in November 2021. At a committee meeting on the 22nd of September last year arrangements were agreed for the introduction of an annual appraisal framework and process to support the appointment. This report sets out the feedback on their performance and the process undertaken.

2. PROPOSED ARRANGEMENTS

The principal aim is to ensure the annual appraisal is a valuable and valued undertaking that provides an honest and objective assessment of a chair's impact and effectiveness, while enabling potential support and development needs to be recognised and fully considered.

The management of the appraisal process for the Chair was the responsibility of the Director of People, OD & Employment Services as laid down in the Standing Orders and agreed by NWSSPC. Confidential performance feedback was sought from individual members of the Committee via a multiple stakeholder assessment to provide the Chair with feedback on their performance during the year.

All members were requested to complete the feedback, and on a positive front, we received performance feedback from eight of our committee members. The feedback received by the Director of People, OD & Employment Services, was compiled and correlated into a single document, in order to provide feedback for the Chair as an integral part of the process.

This document is confidential and not therefore shared beyond the Chair and Director of People, OD & Employment Services. However, the Chair has consented for an overall summary to be provided to the Committee as a measure of assurance and to consider suggested improvements etc.

One section of the form documents three principal objectives for the following 12 months, and these will be reported to NWSSPC in order to provide assurance to NWSSPC members that the review has been completed, and to provide transparency around the agreed objectives for the coming year.

The 3 key agreed objectives for this year against which performance are to be measured are those contained within the original role description laid down in the recruitment process. For transparency purposes we will review the Chairs performance in light of: -

- Their effectiveness in Chairing SSPC meetings;
- Their effectiveness in establishing and ensuring adherence to the standards of good governance set for the NHS in Wales, ensuring that all SSPC business is conducted in accordance with these SSPC Standing Orders; and
- Their effectiveness in Developing positive and professional relationships amongst the SSPC's membership and between the SSPC and each Health Board, Trust, and Special Health Authority Board.

The agreed objectives for the next year will remain consistent with those laid out above.

In summary the feedback was positive, overwhelmingly recognising that the Chair has brought a fresh energy and enthusiasm to the role. The feedback provided enabled the Chair to receive constructive examples that Committee members had observed during the year. There were also a number of constructive areas suggested, where it was felt the Chair could further influence and improve the working of the committee, and to help position the work of NWSSP with Health Partners in Wales. The Chair has reflected on the feedback provided and will use this to influence both her internal contribution, and the ability to promote the impact that NWSSP can have on the wider NHS Wales performance.

3. RECOMMENDATION

The Committee is asked to **NOTE** that the appraisal has taken place as per the agreed framework.



GIG
CYMRU
NHS
WALES

Partneriaeth
Cydwasaethau
Shared Services
Partnership

AGENDA ITEM:5.2

23rd March 2023

The report is not Exempt

Teitl yr Adroddiad/Title of Report

All Wales Overpayments Progress Update

**ARWEINYDD:
LEAD:**

Andy Butler, Director of Finance & Corporate Services

**AWDUR:
AUTHOR:**

Linsay Payne, Deputy Director of Finance & Corporate Services

**SWYDDOG ADRODD:
REPORTING
OFFICER:**

Andy Butler, Director of Finance & Corporate Services

**Pwrpas yr Adroddiad:
Purpose of the Report:**

The purpose of this report is to provide the SSPC with an update on progress on All Wales salary overpayments issues.

Llywodraethu/Governance

**Amcanion:
Objectives:**

Value for Money - To develop a highly efficient and effective shared service organisation which delivers real terms savings and service quality benefits to its customers.

Excellence - To develop an organisation that delivers process excellence through a focus on continuous service improvement, automation and the use of technology.

Staff - To have an appropriately skilled, productive, engaged and healthy workforce.

**Tystiolaeth:
Supporting
evidence:**

-

Ymgynghoriad/Consultation :

Senior Leadership Group
Directors of Finance

Adduned y Pwyllgor/Committee Resolution (insert √):						
DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE √
Argymhelliad/ Recommendation	<p>The Committee is asked to note :</p> <ol style="list-style-type: none"> 1. the value, volume of and reasons for salary overpayments being incurred 2. the progress in the development of an All-Wales overpayments policy 3. the progress in the development of the All-Wales overpayments summary matrix 4. the All Wales Directors of Finance request for a wider review of the end-to-end process 					

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct Impact
Cyfreithiol: Legal:	No direct Impact
Iechyd Poblogaeth: Population Health:	No direct Impact
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct Impact
Ariannol: Financial:	Risk of non-recovery of overpayments and cash flow impact
Risg a Aswiriant: Risk and Assurance:	Consolidation of Financial Risk
Safonau Iechyd a Gofal: Health & Care Standards:	No direct Impact
Gweithlu: Workforce:	Process control issues leading to overpayments
Deddf Rhyddid Gwybodaeth/ FOIA	Open

1.0 INTRODUCTION

The issue of salary overpayments is not new but has been raised increasingly within a number of forums over the last 12 months including:

- NWSSP Audit reports – with the recommendation that an All-Wales overpayments policy would ensure consistency across Wales and support the policy management and control through payroll;
- Payroll Customer Relationship meetings;
- Directors of Finance;
- Deputy Directors of Finance; and
- Counter Fraud Teams.

To ensure concerns are reviewed and appropriate action taken, NWSSP have progressed a number of actions in relation to overpayments:

1. A review of salary overpayments by organisation in terms of both value and volume has been undertaken for 2019/20, 2020/21 and 2021/22.
2. A draft All Wales overpayments policy has been developed by Payroll Services.
3. Nominees have been received from All NHS Wales Organisations to enable the establishment of a task and finish group.
4. A matrix of key criteria within overpayments policies across NHS Wales has been developed.

2.0 REVIEW OF OVERPAYMENTS

A review of overpayments value, volume and reasons has been undertaken for 2019/20, 2020/21 and 2021/22 whilst we await the full year data for 2022/23.

This has identified a significant increase in overpayments in 2021/22, with 4,799 overpayments occurring with a value of £10.2m.

ALL WALES	GROSS OVERPAYMENT £	NUMBER OF OVERPAYMENTS
2019-20	6,342,329	3,578
2020-21	7,226,281	3,929
2021-22	10,177,441	4,799

Of the 2021/22 overpayments, 69% of the value and 66% of the volume are due to the late notification of staff changes by organisations.

2021-22 REASONS FOR OVERPAYMENTS	GROSS OVERPAYMENT £	% VALUE	NUMBER OF OVERPAYMENTS	% VOLUME
Change of Circumstances	504,091	5%	266	6%
Incorrect information	2,697,444	27%	1,376	29%
Late Notification	6,975,906	69%	3,157	66%
TOTAL	10,177,441	100%	4,799	100%

The details by Organisation are provided in Appendix A.

This high level of overpayments clearly impacts a number of areas including debt collection, customer service, cashflow, tax/NI, financial risk, fraud, and control risks in addition to the significant staff time to recover the overpayments in both payroll and local NHS Wales finance teams.

A new reporting format has been created from January 2023 which will provide more detailed information regarding overpayments to share on a more timely basis with Organisations to help tackle this issue.

3.0 DRAFT ALL WALES OVERPAYMENTS POLICY

Following an audit recommendation, a draft All-Wales Overpayments policy was compiled by payroll colleagues with reference to the various different overpayments policies in existence across NHS Wales. In the absence of a suitable All-Wales review forum, the draft policy was shared with organisations across NHS Wales who were part of the Financial Control Procedure review group, which also included Counter Fraud colleagues.

A number of comments on the policy were received and included in a revised draft policy. There remain a few key areas of concern and differences across NHS Wales Organisations which require resolution. It is anticipated that further in-depth review and discussion is required if agreement is to be reached so we are able to move to an All-Wales overpayment policy. In particular, differing views in relation to the point at which Counter Fraud teams are involved and the impact to which any communications with staff who have been overpaid compromise any criminal investigations appears a key point for resolution.

The need for a suitable All Wales forum was identified where all organisations are represented and a detailed review can be undertaken between NHS Wales finance, payroll, Counter Fraud and Audit colleagues.

4.0 OVERPAYMENTS TASK AND FINISH GROUP

Further to the identification of the need for an All-Wales group, Deputy Directors of Finance were asked to identify an individual from each Organisation to attend the task and finish group once established. The nominees received are:

Organisation	Task & Finish Group nominee
AB	Heulwen Griffiths
SBU	Liz Gunn
BCU	Tony Uttley
C&V	Rebecca Holliday
CTM	Owen James
HD	Julie Wheeler-Davies
Powys	Sarah Pritchard
PHW	Tracy Davies
WAST	Jill Gill
DHCW	Ian Taylor
HEIW	Lynda Phillips
NWSSP	Linsay Payne
Velindre	Tracy Hughes
Payroll	Stephen Withers
Payroll	Janet Carsley
Counterfraud	TBC
Audit	TBC

It was anticipated that the task and finish group would meet for the first time during March, however with the proximity to the financial year end this will need to be delayed until later in the new financial year.

5.0 ALL WALES OVERPAYMENTS MATRIX

To commence work and support progress with the All-Wales overpayments policy review, a matrix has been created to compare the draft policy against current organisational overpayments policies. This matrix compares key criteria within the draft All-Wales policy against the detail within individual organisation's policies and colour codes them where the criteria fully align, part align or are out of line.

This work has been completed ready to share with the task and finish nominees prior to the first meeting.

6.0 NEXT STEPS

To date all the actions are being progressed through NWSSP. The potential for this to be part of a wider review through the NWSSP has been proposed.

at the March 2023 Directors of Finance meeting as an appropriate way forward.

This would also enable clear linkages with peer groups such as Workforce and Workforce Information colleagues and the more timely receipt of information to payroll through ESR to reduce the level of overpayments.

Once available, the overpayment data will be updated for the 2022/23 overpayments.

Recommendation

The Committee is asked to note :

- the value, volume of and reasons for salary overpayments being incurred
- the progress in the development of an All-Wales overpayments policy
- the progress in the development of the All-Wales overpayments summary matrix
- the All Wales Directors of Finance request for a wider review of the end-to-end process

APPENDIX A

	GROSS OVERPAYMENT £			
	2019-2020	2020-2021	2021-2022	TOTAL
Aneurin Bevan	879,673	1,392,530	1,968,764	4,240,967
Betsi Cadwaladr	1,412,947	1,207,828	996,964	3,617,738
Cardiff & Vale	941,819	1,243,265	2,259,051	4,444,135
Cwm Taf	1,327,606	1,548,624	1,638,095	4,514,325
DHCW			30,847	30,847
HEIW	8,790	9,450	14,323	32,563
Hywel Dda	56,781	43,471	266,814	367,067
NWSSP			802,122	802,122
Powys	58,601	119,644	206,740	384,986
Public Health Wales	73,263	86,585	189,563	349,411
Swansea Bay	1,242,738	933,837	1,200,309	3,376,884
Velindre	218,516	486,572	397,171	1,102,260
WAST	121,594	154,473	206,679	482,746
TOTAL	6,342,329	7,226,281	10,177,441	23,746,051

NUMBER OF OVERPAYMENTS			
2019-2020	2020-2021	2021-2022	TOTAL
861	1,034	1,037	2,932
595	535	483	1,613
607	676	1,043	2,326
551	607	549	1,707
		22	22
9	6	11	26
56	61	283	400
		202	202
32	85	128	245
45	38	69	152
629	655	667	1,951
122	141	173	436
71	91	132	294
3,578	3,929	4,799	12,306

20/21 TO 21/22 MOVEMENT	
% VALUE	% VOLUME
41.38	0.29
- 17.46	- 9.72
81.70	54.29
5.78	- 9.56
-	-
51.57	83.33
513.77	363.93
-	-
72.80	50.59
118.93	81.58
28.54	1.83
- 18.37	22.70
33.80	45.05
40.84	22.14

	VALUE OF OVERPAYMENT				NUMBER OF OVERPAYMENTS			
2021/22	Change of Circumstances	Incorrect Information	Late Notifications	TOTAL	Change of Circumstances	Incorrect Information	Late Notifications	TOTAL
Aneurin Bevan	40,879	478,813	1,449,072	1,968,764	21	329	687	1,037
Betsi Cadwaladr	108,668	284,811	603,485	996,964	86	130	267	483
Cardiff & Vale	93,633	537,832	1,627,586	2,259,051	30	303	710	1,043
Cwm Taf	53,840	758,821	825,434	1,638,095	15	214	320	549
DHCW	575	1,957	28,315	30,847	1	3	18	22
HEIW		10,195	4,129	14,323		7	4	11
Hywel Dda		63,725	203,089	266,814		83	200	283
NWSSP	63,259	81,659	657,203	802,122	10	46	146	202
Powys	12,463	13,862	180,415	206,740	9	11	108	128
Public Health Wales	12,029	94,273	83,260	189,563	4	25	40	69
Swansea Bay	102,558	187,846	909,906	1,200,309	71	119	477	667
Velindre	3,459	107,969	285,744	397,171	7	58	108	173
WAST	12,729	75,682	118,268	206,679	12	48	72	132
Grand Total	504,091	2,697,444	6,975,906	10,177,441	266	1,376	3,157	4,799
% SPLIT	5%	27%	69%		6%	29%	66%	



NWSSP Finance Report February 2023

*Adding Value
Through Partnership,
Innovation and Excellence*

Dashboard Summary – 1st April 2022 to 28th February 2023

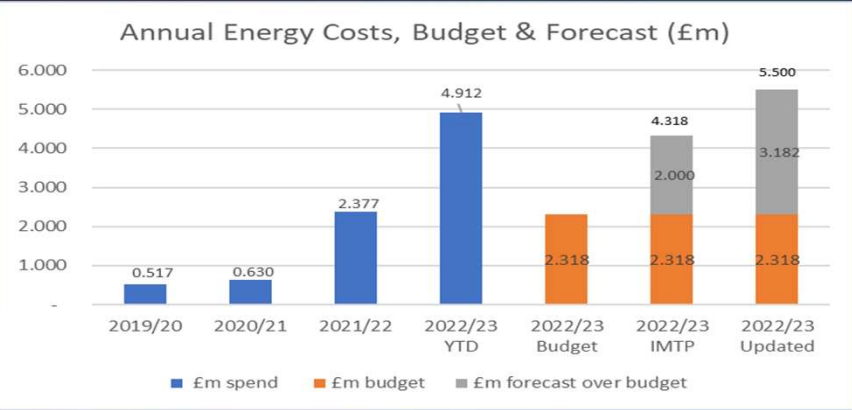
	Annual Budget £'000	YTD Budget £'000	YTD Expend £'000	YTD Variance £'000
Income	-668,063	-569,685	-572,547	-2,862
Pay	308,722	282,349	277,982	-4,367
Non Pay	223,811	199,055	203,823	4,769
WRP – DEL	134,780	87,531	87,531	0
Distribution	750	750	2,000	1,250
Year to date Underspend	0	0	1,211	1,211
	0	0	0	0

Covid Costs	YTD £m	22/23 Forecast £m
CONFIRMED FUNDING:		
Mass Vacc - PPE	-	-
Mass Vacc - Pay & Non Pay	1.228	1.340
Social/Primary Care PPE	9.732	10.482
PPE delivery/warehousing/testing	4.000	4.383
Ukraine PPE donation	0.258	0.258
TOTAL CONFIRMED FUNDING	15.218	16.463
NWSSP TO FUND:		
Covid Recovery	1.131	1.246
TOTAL COVID COSTS	16.349	17.709

£16.349m of Covid costs have been incurred to Month 11 with a full year forecast of £17.709m. The forecast is largely dependent upon the demand for PPE from Primary and Social Care which has reduced in 2022/23.

£1.246m of Covid Recovery costs are being funded from NWSSP savings.

The energy forecast for 2022/23 is £5.500m with funding for the £3.182m exceptional pressure from WG.



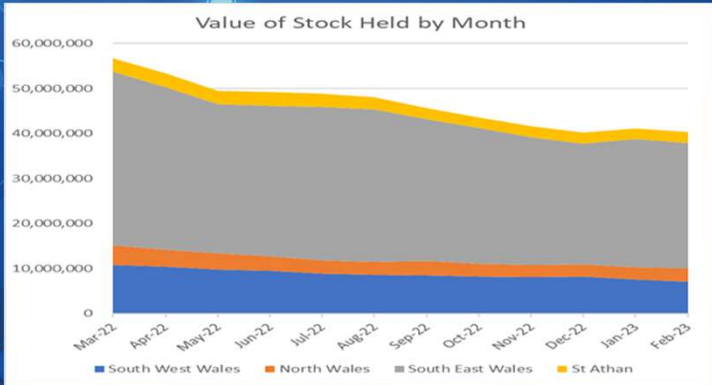
NWSSP reported the Month 11 financial position with a year to date underspend of £1.211m.

NWSSP 2022/23 distribution was £2.000m as per the below table.

The year end forecast outturn remains at break-even with full funding of exceptional energy pressures and Covid costs from Welsh Government.

Health Board /Trust	%	PLANNED DISTRIBUTION £	ADDITIONAL DISTRIBUTION £	TOTAL DISTRIBUTION £	Agreed Recurrent Reinvestment £	2022/23 DISTRIBUTION £
Aneurin Bevan	9.85	73,844	123,125	196,969		196,969
Swansea Bay	8.80	66,029	110,000	176,029		176,029
Betsi Cadwaladr	11.98	89,815	149,750	239,565	-89,815	149,750
Cardiff and Vale	10.49	78,652	131,125	209,777		209,777
Cwm Taf	10.60	79,527	132,500	212,027		212,027
Hywel Dda	7.77	58,293	97,125	155,418	-58,293	97,125
Powys	1.95	14,598	24,375	38,973	-14,598	24,375
Velindre	1.17	8,781	14,625	23,406		23,406
WAST	1.28	9,580	16,000	25,580	-9,580	16,000
Public Health Wales	0.87	6,530	10,875	17,405	-6,530	10,875
Welsh Government	35.25	264,351	440,500	704,851	-264,351	440,500
Total	100%	750,000	1,250,000	2,000,000	-443,167	1,556,833

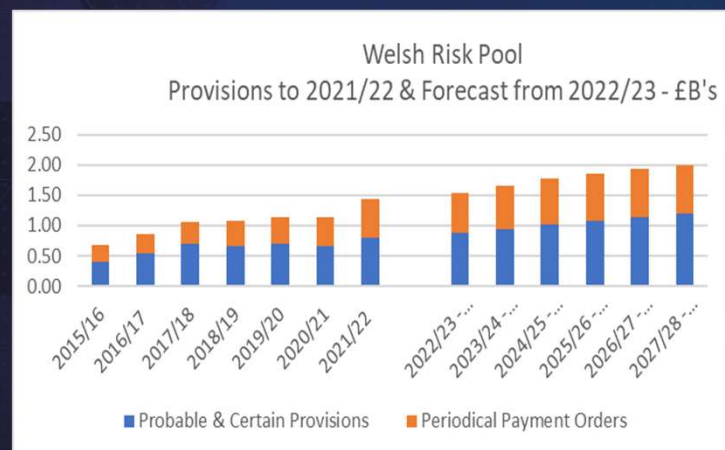
The value of stock held in stores at 28th February 2023 was £40.2m. We continue to maintain the 16 week PPE stock holding requested by Welsh Government.



Welsh Risk Pool and Capital: 1st April 2022 to 28th February 2023

Month 11 2022/23	£000s
Actual spend to February 2022 incl Redress	87,531
Settled cases – awaiting payment	20,706
Joint Settlement/Round Table Meeting/Offer	15,652
Periodical Payment Orders to March 2023	337
Sub Total	124,226
Future Estimated Settlements	2,887
Month 11 2022/23 DEL Forecast - Min	127,113
Month 11 2022/23 DEL Forecast - Max	139,000
IMTP DEL Forecast 2022/23	134,780

£87.531m WRP DEL expenditure has been incurred to Month 11. A review of cases due to settle in 2022/23 indicates a potential range of **£127.1m-£139.0m**. The IMTP forecast of **£134.780m** remains within this forecast range. We continue to assume **£25.345m** will be funded under the Risk Share Agreement in 2022/23.



Long term liability (AME) provisions totalled **£1.429bn** at 31st March 2022. As at Month 11 this is expected to increase by a further **£107m** in 2022/23. This is after accounting for the impact of the HM Treasury PES paper for updated inflation and discount rates issued in December 2022. Provisions are forecast to be in excess of **£2bn** by 2027/28.

	Forecast Risk Share Charges 2023/24 - 2027/28 £m				
	2023/24	2024/25	2025/26	2026/27	2027/28
2023/24 IMTP £m	26.494	27.911	30.857	32.106	33.364
2022/23 IMTP £m	26.703	28.07	28.439	28.813	
Increase/(decrease)	-0.209	-0.159	2.418	3.293	

Forecast risk share charges for 2023/24 and 2024/25 remain in line with the indicative charges included in our 2022/23 IMTP

Scheme	Allocation	YTD Spend	Balance Outstanding
	£000	£000	£000
Laundry Services	202	85	-117
EV charging infrastructure	1	1	0
IP5	44	0	-44
IT equipment	155	65	-90
TRAMS	212	131	-81
Denbigh	41	17	-24
HCS replacement vehicles	163	0	-163
Matrix House	12	0	-12
Capital credits	-373	-373	0
Discretionary Capital Total	457	-74	-531
IP5 discretionary	190	37	-153
Scan for Safety	826	586	-240
Laundry Services	1,522	98	-1,424
TRAMS	303	274	-29
Welsh Healthcare Student Hub	474	474	0
IP5	908	30	-878
Denbigh	20	10	-10
EV charging infrastructure	68	25	-43
HCS replacement vehicles	503	0	-503
IT equipment	26	22	-4
Glidescopes transfers	-203	-203	0
Additional Capital Total	4,637	1,353	-3,284
IFRS 16 Lease Funding	8	8	0
TOTAL CAPITAL ALLOCATION	5,102	1,287	-3,815

Our current Capital Expenditure Limit for 2022/23 is **£5.102m**. This now includes £0.303m for TRAMS OBC Fees agreed in February.

Capital expenditure to Month 11 is **£1.287m** and we have plans to fully utilise all capital funding despite the significant expenditure to be incurred in Month 12.

Since the transfer of the All Wales Laundry Service in 2021/22 we are experiencing increased pressure on our discretionary capital allocation as this was not increased following the transfer of the new Service.

Financial Position and Key Targets

		2022/23												Trend
KPI	Target	March	April	May	June	July	August	September	October	November	December	January	February	
Financial Position – Forecast Outturn	Break even Monthly	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	Breakeven	
Capital financial position	Within CEL Monthly	Achieved	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target	On Target	
Planned Distribution	£0.75m Annual	£2.00m	£0.75m	£0.75m	£0.75m	£0.75m	£0.75m	£0.75m	£0.75m	£0.75m	£2.000m	£2.000m	£2.000m	
% of Non NHS Invoices paid within 30 days (In Month)	95% Monthly	95.14%	96.54%	94.52%	96.77%	95.43%	97.12%	95.73%	95.51%	95.04%	93.91%	89.64%	95.24%	
% of Non NHS Invoices paid within 30 days (Cumulative)	95% Monthly	96.12%	96.54%	95.09%	95.75%	95.65%	95.96%	95.92%	95.85%	95.75%	95.51%	94.90%	95.50%	
% of NHS Invoices paid within 30 days (In Month)	95% Monthly	93.68%	94.29%	91.64%	97.73%	84.29%	84.09%	86.67%	86.52%	83.82%	76.29%	85.83%	91.73%	
% of NHS Invoices paid within 30 days (Cumulative)	95% Monthly	92.40%	94.29%	92.56%	94.74%	92.11%	91.02%	90.07%	89.44%	88.77%	86.96%	86.79%	87.50%	

Corporate

		2022/23												Trend
KPI	Target	March	April	May	June	July	August	September	October	November	December	January	February	
NHS Debts in excess of 17 weeks - number of invoices	0 Monthly	0	2	3	1	0	2	3	1	7	12	5	11	
Variable Pay – Overtime	<£75k Monthly	£102k	£104k	£90k	£93k	£86k	£140k	£148k	£137k	£143k	£120k	£104k	£108k	
Agency % to date	<0.8% Cumulative	0.53%	0.31%	0.25%	0.32%	0.32%	0.33%	0.32%	0.30%	0.31%	0.29%	0.31%	0.32%	
Agency % Adjusted to exclude SLE	<1% Cumulative	1.02%	1.06%	0.89%	1.12%	1.13%	1.16%	1.13%	1.08%	1.10%	1.04%	1.10%	1.16%	

Covid

Covid expenditure to 28th February 2023 was **£16.349m**. Welsh Government has approved funding for mass vaccination, Social/Primary care PPE issues and All Wales PPE delivery, warehousing and testing although only costs up to the end of Quarter 3 have been invoiced to date.

Our expenditure to date includes **£1.131m** of Covid recovery support costs for the increased staff costs we have recruited in our payroll, recruitment and accounts payable teams. Welsh Government have confirmed that there is **no additional funding** for Covid Recovery costs. We forecast these Covid recovery costs will total **£1.246m** in 2022/23 which includes **£0.126m** to pump prime the new virtual ID checking software. These costs are being funded from **NWSSP savings** rather than being recharged to UHBs/Trusts.

The full year forecast Covid funding requirement from Welsh Government is **£16.463m**. The forecast has reduced following reductions in the PPE supplied to Primary & Social Care and the continued forecast reduction in PPE issues in March 2023.

Covid Costs	YTD	22/23 Forecast
	£m	£m
CONFIRMED FUNDING:		
Mass Vacc - PPE	-	-
Mass Vacc - Pay & Non Pay	1.228	1.340
Social/Primary Care PPE	9.732	10.482
PPE delivery/warehousing/testing	4.000	4.383
Ukraine PPE donation	0.258	0.258
TOTAL CONFIRMED FUNDING	15.218	16.463
NWSSP TO FUND:		
Covid Recovery	1.131	1.246
TOTAL COVID COSTS	16.349	17.709

Energy

The IMTP Funding assumptions letter issued by Judith Paget on 14th March enabled NHS Organisations to anticipate income at risk to cover the increasing energy costs during 2022/23.

Our IMTP included a high level energy forecast of £4.318m. Following increased energy prices in early 2022/23 this energy pressures forecast increased to £6.838m. Following receipt of more recent British Gas forecasts incorporating the discount from the Energy Billing Relief Scheme (EBRS), our energy forecast remains at **£5.500m** with exceptional cost pressures funding of **£3.182m** from Welsh Government.

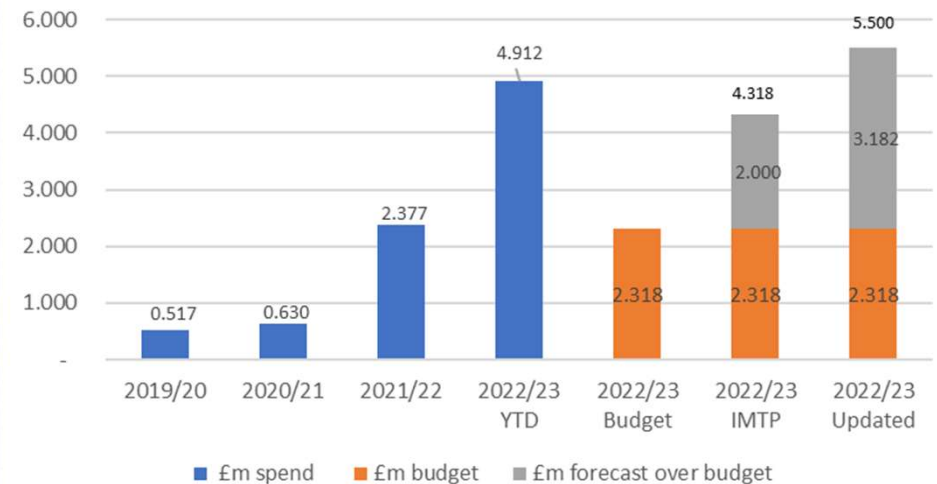
The volatility of the current energy markets presents issues in forecasting with any accuracy, this is also compounded by:

- Some of our sites being on the All Wales energy contract and others recharged by Landlords
- Changes to energy requirements on our sites as laboratories are commissioned/decommissioned
- Impact of the installation of IP5 LED lighting
- Seasonal fluctuations
- Increased use of sites as more staff return to the office.

The laundries are our biggest energy consumers and due to metering arrangements, the majority of the invoices are part of the Health Board recharges from British Gas, adding additional complexity and delay in obtaining accurate energy costs in a timely manner to report within the financial position.

At the end of February some UHBs are a number of months behind in providing actual energy costs, reflecting a significant risk in our forecast.

Annual Energy Costs, Budget & Forecast (£m)



The increase in energy costs between 2020/21 and 2021/22 is due to the transfer of the All Wales Laundries during 2021/22

Capital

Our current Capital Expenditure Limit (CEL) for 2022/23 is **£5.102m**. This now includes the funding for the TRAMS OBC Fees of £0.303m that were added to our CEL in recent weeks.

The NWSSP discretionary allocation for 2022/23 was reduced by Welsh Government to **£0.457m** from £0.600m and the IP5 discretionary allocation reduced from £0.250m to **£0.190m**.

Capital expenditure to Month 11 is **£1.287m**. A significant percentage of expenditure will be incurred in March primarily due to the high value of additional capital funding that was only allocated in December. The table on the right provides a forecast against each of our capital schemes.

Every scheme is being monitored in detail to ensure our forecast can be achieved and all capital schemes are delivered as planned within the financial year.

Scheme	Allocation	YTD Spend	Balance Outstanding
	£000	£000	£000
Discretionary Capital Total	457	-74	-531
Additional Capital Total	4,637	1,353	-3,284
IFRS 16 Lease Funding	8	8	0
TOTAL CAPITAL ALLOCATION	5,102	1,287	-3,815

DISCRETIONARY	Allocation	Forecast	Variance
	£000	£000	£000
Discretionary allocation	457		-457
VAT Credits		-146	-146
Laundry reversal		-226	-226
3 Refrigerated vehicles		163	163
TRAMS Equipment		213	213
IT		155	155
Laundry Equipment		200	200
Estates		98	98
TOTAL DISCRETIONARY	457	457	0
ADDITIONAL			
IP5 discretionary	190	190	0
Scan for Safety	826	826	0
TRAMS	303	303	0
Welsh Healthcare Student Hub	474	474	0
Additional Cap Funding – Nov 2022:			
<i>IP5 racking additional capacity 22/23</i>	308	270	-38
<i>Denbigh stores LED and energy monitoring 22/23</i>	20	17	-3
<i>Portable chargers for EV fleet 22/23</i>	68	73	5
<i>IP5 LED lights Phase 2</i>	600	543	-57
End of Year Funding - Nov 2022:			
<i>Laundry Equipment</i>	1,522	1,562	40
<i>9x Luton Vans</i>	503	495	-8
Transfer from DHCW	26	23	-3
Glidescopes transfers	-203	-203	0
Denbigh warehouse racking/pallet truck/fencing		60	60
Tablets for International Recruitment		4	4
TOTAL ADDITIONAL	4,637	4,637	0
IFRS 16 NEW LEASES	8	8	0
TOTAL 2022/23 CAPITAL PER CEL	5,102	5,102	0

Welsh Risk Pool

To Month 11 expenditure of **£87.531m** has been incurred within the Welsh Risk Pool.

Our IMTP included a 2022/23 expenditure forecast of **£134.780m**, which requires **£25.345m** to be funded under the Risk Share Agreement.

At Month 11 the DEL forecast has a range of **£127.1m to £139.0m**. The IMTP forecast of £134.780m remains within this range.

Cases are being assessed daily in terms of any changes to the likelihood and value of settlement this financial year in order to assess any impact on the forecast outturn range. We continue to keep Welsh Government colleagues apprised of the forecast and any movement above the £134.780m.

Expenditure type	Position as at M11 2021/22 £m	Position as at M11 2022/23 £m
Claims reimbursed & WRP Managed Expenditure	99.921	99.304
Periodical Payments made to date	16.573	19.011
Redress Reimbursements	1.897	2.021
EIDO – Patient consent	0.062	0.077
Clinical Negligence Salary Subsidy	0.504	0.504
WRP Transfers, Consent, Prompt, CTG	0.151	0.252
Movement on Claims Creditor	-30.093	-33.638
Year to date expenditure	89.015	87.531

Month 11 2022/23	£000s
Actual spend to February 2022 incl Redress	87,531
Settled cases – awaiting payment	20,706
Joint Settlement/Round Table Meeting/Offer	15,652
Periodical Payment Orders to March 2023	337
Sub Total	124,226
Future Estimated Settlements	2,887
Month 11 2022/23 DEL Forecast - Min	127,113
Month 11 2022/23 DEL Forecast - Max	139,000
IMTP DEL Forecast 2022/23	134,780

Recommendations

The Shared Services Partnership Committee is asked to note the :

1. Financial position to 28th February 2023
2. Forecast financial position for 2022/23 at break-even
3. Achievement to date against key financial targets
4. The content of this update and seek further information if required.

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NHS WALES SHARED PARTNERSHIP SERVICES COMMITTEE
People and Organisational Development (OD) Report

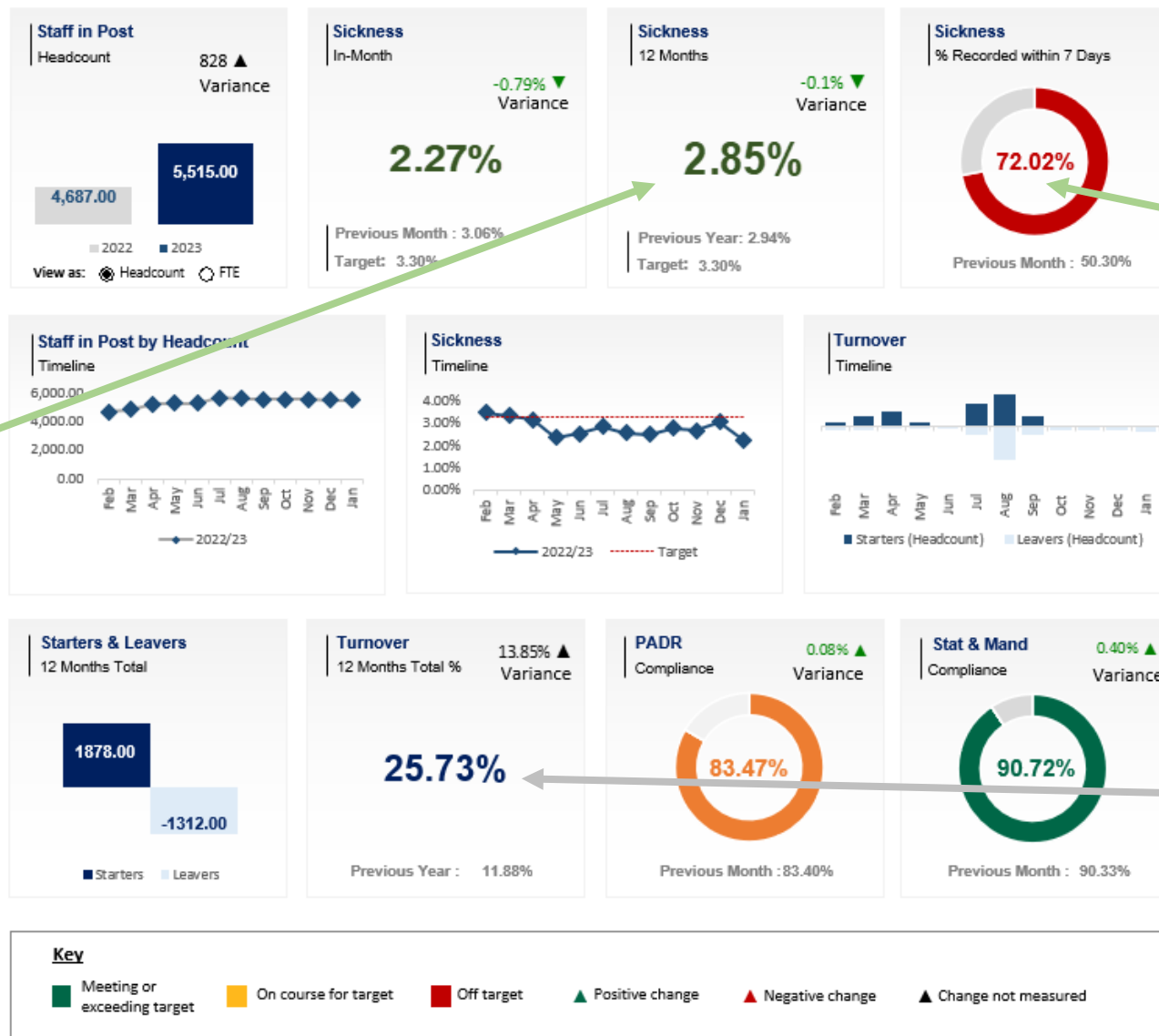
MEETING	Shared Services Partnership Committee (SSPC)
REPORT DATE	13 th March 2023
REPORT AUTHOR	Sarah Evans, Deputy Director of People and OD
RESPONSIBLE DIRECTOR OF SERVICE	Gareth Hardacre, Director of People, OD and Employment Services
TITLE OF REPORT	Report of the Director of People, OD and Employment Services
PURPOSE OF REPORT	
<p>The purpose of this report is to provide SSPC with a comprehensive update of current workforce performance across the organisation through a range of workforce information key performance indicators (KPIs) as at 31st January 2023. The report also provides an update on current work programmes being undertaken by the People and OD Function as well as any organisational change activity ongoing throughout February 2023.</p> <p>The report is split into sections, starting with a workforce summary showing key performance indicators, followed by the initiatives the team are leading/supporting regarding the Employee Value Proposition and lastly the interventions/activities concerning the employee experience. This format hopes to showcase the moments that matter to NWSSP employees and to encourage open and honest conversations to take place, in relation to our strategic objective; to have an appropriately skilled, productive, engaged and healthy workforce.</p>	

Full Dashboard

Once opened, please click 'Editing' to open in desktop

Top reasons for absence by FTE days Lost

1. Anxiety/Stress/depression / other psychiatric illness.
2. Cold, cough, Flu – Influenza
3. Chest & respiratory problems



Recording Sickness Absence

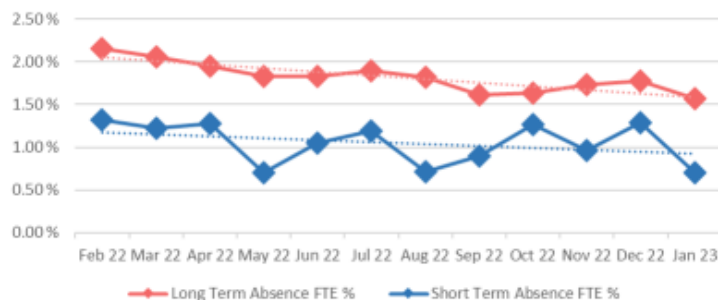
An improvement has been made recording sickness within 7 days when compared to the previous month.

Turnover appears significantly higher for the period (25.73%) compared to last year (11.88%)

Excluding Single Lead Employer turnover is 13.91%

FURTHER DETAIL

NWSSP Overall - Long Term / Short Term Sickness Absence FTE % Over Time



Data Source: ESR

Long Term Vs Short Term Absence

The overall trajectory of Long Term Absence has decreased over 12 months from 2.16% In Feb 22 to 1.57% in Jan 23.

Short Term Absence has decreased from 1.28% in Dec 22 to 0.70% in Jan 23

The top reason for Long Term Absence for the period based on FTE Lost is **Anxiety/Stress/Depression**

In Month Sickness Absence Percentage by Division

Division	Dec-22	Jan-23	Change
Accounts Payable Division	2.92%	3.91%	0.99% ▲
Audit & Assurance Division	3.60%	3.98%	0.38% ▲
Corporate Division	4.18%	3.32%	-0.86% ▼
Counter Fraud Division	0.00%	0.00%	0.00%
Digital Workforce Division	5.89%	4.77%	-1.12% ▼
E-Business Central Team Division	0.89%	0.00%	-0.89% ▼
Employment Division	5.64%	3.96%	-1.68% ▼
Finance Division	1.49%	1.94%	0.45% ▲
Hosted Services Division	5.10%	0.23%	-4.87% ▼
Laundry Division	7.73%	7.02%	-0.71% ▼
Legal & Risk Division	2.96%	2.16%	-0.80% ▼
Medical Examiner Division	5.71%	4.31%	-1.40% ▼
People & OD Division	8.79%	4.52%	-4.27% ▼
Planning, Performance and Informatics Division	9.28%	5.18%	-4.10% ▼
Primary Care Division	5.35%	4.72%	-0.63% ▼
Procurement Division	7.16%	6.26%	-0.90% ▼
Single Lead Employer Division	1.39%	0.69%	-0.70% ▼
Specialist Estates Division	0.00%	0.52%	0.52% ▲
Surgical Materials Testing (SMTL) Division	5.21%	0.32%	-4.89% ▼
Temporary Medicines Unit Division	5.81%	5.38%	-0.43% ▼
Welsh Employers Unit Division	0.00%	11.72%	11.72% ▲
Grand Total	3.06%	2.27%	-0.79% ▼

Source: ESR

In month sickness has decreased from the December position and is now 2.27% which is still below the target of 3.30%

Welsh Employers Division has the highest in Month Sickness Percentage for January at 11.72%

Appraisal Compliance by Division

Division	Dec-22	Jan-22	Change
Accounts Payable Division	83.33%	90.08%	6.74% ▲
Audit & Assurance Division	82.35%	82.35%	0.00% ▲
Corporate Division	83.33%	83.33%	0.00% ▲
Counter Fraud Division	75.00%	100.00%	25.00% ▲
Digital Workforce Division	82.61%	81.82%	-0.79% ▼
E-Business Central Team Division	92.31%	92.31%	-0.00% ▼
Employment Division	83.85%	83.57%	-0.28% ▼
Finance Division	86.36%	95.45%	9.09% ▲
Hosted Services Division	80.00%	78.57%	-1.43% ▼
Laundry Division	80.80%	77.95%	-2.85% ▼
Legal & Risk Division	91.50%	82.35%	-9.15% ▼
Medical Examiner Division	33.33%	29.09%	-4.24% ▼
People & OD Division	66.04%	75.00%	8.96% ▲
Planning, Performance and Informatics Division	96.67%	96.67%	-0.00% ▼
Primary Care Division	91.55%	88.77%	-2.78% ▼
Procurement Division	84.18%	85.90%	1.72% ▲
Specialist Estates Division	90.00%	94.00%	4.00% ▲
Surgical Materials Testing (SMTL) Division	95.65%	95.45%	-0.20% ▼
Temporary Medicines Unit Division	46.15%	53.85%	7.69% ▲
Welsh Employers Unit Division	0.00%	0.00%	0.00%
Grand Total	83.40%	83.47%	0.08% ▲

Source: ESR

An improvement has occurred overall recording appraisal reviews during January which is up by 0.8% on the previous month and is at **83.47%**.

The target for appraisal compliance is 85.00%

2 Divisions have less than 50% compliance:

1. Welsh Employers Unit Division
2. Medical Examiner Division

E-Learning Competency Compliance

Division	043 MAND Cyber Awareness Core	NHS CSTF Equality, Diversity and Human Rights - 3 Years	NHS CSTF Fire Safety - 2 Years	NHS CSTF Health, Safety and Welfare - 3 Years	NHS CSTF Infection Prevention and Control - Level 1 - 3 Years	NHS CSTF Information Governance (Wales) - 2 Years	NHS CSTF Moving and Handling - Level 1 - 2 Years	NHS CSTF Resuscitation - Level 1 - 3 Years	NHS CSTF Safeguarding Adults - Level 1 - 3 Years	NHS CSTF Safeguarding Children - Level 1 - 3 Years	NHS CSTF Violence and Aggression (Wales) - Module A - No Specified Renewal
Accounts Payable Division	95.65%	94.20%	89.86%	88.41%	94.20%	91.30%	91.30%	92.03%	94.93%	94.20%	98.55%
Audit & Assurance Division	96.15%	96.15%	94.23%	92.31%	98.08%	92.31%	92.31%	90.38%	96.15%	96.15%	96.15%
Corporate Division	91.67%	95.83%	95.83%	95.83%	95.83%	95.83%	95.83%	95.83%	95.83%	95.83%	100.00%
Counter Fraud Division	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Digital Workforce Division	91.67%	100.00%	95.83%	100.00%	100.00%	91.67%	91.67%	91.67%	95.83%	95.83%	95.83%
E-Business Central Team Division	92.86%	100.00%	92.86%	92.86%	92.86%	100.00%	92.86%	100.00%	100.00%	100.00%	100.00%
Employment Division	90.98%	92.84%	88.86%	88.59%	89.66%	89.66%	90.45%	89.66%	88.86%	88.86%	97.61%
Finance Division	100.00%	100.00%	100.00%	100.00%	95.45%	100.00%	100.00%	95.45%	100.00%	100.00%	90.91%
Hosted Services Division	93.33%	93.33%	100.00%	93.33%	86.67%	86.67%	86.67%	86.67%	86.67%	86.67%	93.33%
Laundry Division	30.71%	57.48%	39.37%	66.93%	70.08%	41.73%	85.83%	69.29%	70.08%	64.57%	77.17%
Legal & Risk Division	96.23%	98.74%	94.34%	97.48%	97.48%	94.34%	95.60%	95.60%	97.48%	96.86%	98.11%
Medical Examiner Division	47.54%	67.21%	52.46%	57.38%	54.10%	63.93%	49.18%	49.18%	59.02%	59.02%	63.93%
People & OD Division	80.77%	82.69%	76.92%	75.00%	78.85%	75.00%	75.00%	71.15%	78.85%	78.85%	88.46%
Pharmacy Technical Services Division	20.00%	40.00%	40.00%	60.00%	40.00%	40.00%	40.00%	60.00%	40.00%	60.00%	60.00%
Planning, Performance and Informatics Division	96.88%	96.88%	96.88%	93.75%	96.88%	96.88%	93.75%	96.88%	93.75%	93.75%	96.88%
Primary Care Division	97.94%	97.94%	95.88%	97.25%	98.63%	93.81%	95.19%	97.94%	98.63%	97.59%	99.31%
Procurement Division	91.60%	95.01%	93.02%	94.44%	94.87%	92.45%	95.30%	94.16%	95.16%	95.01%	97.58%
Specialist Estates Division	92.00%	96.00%	94.00%	96.00%	94.00%	98.00%	94.00%	94.00%	94.00%	94.00%	100.00%
Surgical Materials Testing (SMTL) Division	100.00%	100.00%	100.00%	100.00%	100.00%	90.91%	100.00%	100.00%	100.00%	100.00%	100.00%
Temporary Medicines Unit Division	80.00%	93.33%	93.33%	80.00%	93.33%	86.67%	80.00%	73.33%	86.67%	86.67%	86.67%
Welsh Employers Unit Division	57.14%	42.86%	57.14%	57.14%	42.86%	57.14%	57.14%	57.14%	57.14%	57.14%	85.71%
Total	87.98%	91.99%	88.11%	90.44%	91.53%	88.11%	91.44%	90.30%	91.62%	91.07%	95.36%

EMPLOYEE VALUE PROPOSITION

What we mean by Employee Value Proposition:

“An Employee Value Proposition (EVP) is our core benefits that make up our wider employer brand. It is a promise between us as an employer and a potential applicant; what can NWSSP and our culture offer them, in exchange for their talent, skills, and experience.”

In this section we look at key developments and activities in relation to attraction, resourcing and onboarding, including our internal Bank service.

Recruitment & Attraction Activity

- Engagement with Divisional Management Teams continues to understand the recruitment and retention barriers from each service and draw up relevant action plans for each service.
- The consistent theme from these meetings to date has been the services keen to “develop from within” and work with the Organisational Development team focusing on Network 75 programmes, develop Apprenticeships models and wider career pathway opportunities
- There has been a focus on some quick wins with the Communications Team to rebrand our external advertising documents on TRAC including the "About Us" and the "NWSSP Benefits" documents. Discussions continue regarding the fit of our corporate brand with our refreshed NWSSP recruitment marketing identity with a paper being written to go to SLG
- Version 2 of the New Employee Benefit Hub has been created and we continue to work with our colleagues in the Communications team on this
- The number of Bank staff doing regular, routine work is high (especially those engaged on the Bank for over 12 weeks). Our Trade Union partners have asked us to review the situation and hopefully provide bank workers with Fixed Term Contracts. However, we currently have 73 people who are employed on Fixed Term Contracts, whose contracts are all due to expire at the end of March 2023. As such, we need to focus on Fixed Term Contracts due to the legal protection available to staff employed in this way. We have updated our TU partners, but recognise this does not take away from the importance of dealing with the Bank situation.

RESOURCE BANK AND AGENCY

General Bank – Monthly Use

- 105.23 WTE actively engaged on the Bank in January 2023, when removing 7.97 WTE for collaborative bank
- Total spend of £278,575.82 when removing £32,925.56 for collaborative bank monthly actual
- Cost reduction appears to show £59,329.04 from December 2022 however this was due to late timesheets submitted by HCS for the accounting period. Therefore, whilst it appears a significant cost reduction, we are expecting £48,900.96 to show in February's WTE monthly actual spend
- Factoring this in, the actual cost reduction total is £10,428.08

Row Labels	Sum of Cur Month Actual	Sum of WTE Actual
Accounts Payable & E-Enablement	10,479.84	4.49
Audit & Assurance Services	7,891.99	1.76
Collaborative Bank	32,925.56	7.97
Corporate Services	7,061.96	0.44
Employment Services	51,743.75	21.30
Health Courier Services	48,900.90	17.11
Laundry Services	32,614.72	13.60
Legal & Risk Services	1,433.95	0.54
People & OD	10,470.84	4.38
Pharmacy Technical Services	-1,773.18	0.00
Planning, Performance & Informatics	0.00	0.00
Primary Care Services	2,572.90	1.13
Procurement services	94,579.31	37.46
SMTL	288.93	0.09
Welsh Risk Pool	12,309.91	2.93
Grand Total	311,501.38	113.20

Agency Spend by Reason and Service

Service	£	People Engaged
Audit	14,722	2
Planning, Performance & Informatics	20,589	2
Corporate	6,387	2
PS - Local Procurement	2,432	1
PS - Supply Chain	2,723	1
Laundry	58,021	25
Employment Services	187	1
Legal & Risk	-667	0
SMTL	14,703	1
	119,097	35

Agency Use

- Agency spend for December has increased by £80,735 since January
- 35 x staff engaged via Agency in last month
- Increase in laundry agency spend of £31,668 as an expected duplication of previous invoice in month 9 that was removed was incorrect, this has been rectified in this month's figures
- Discussions have commenced with Glangwilli Laundry and Cwm Taf Laundry on moving agency workforce over to a 12 month fixed term contract to reduce Laundry agency spend
- SMTL, Planning and Informatics and also Corporate services account for the additional agency spend with significant increases in cost
- Conversations held with the service and advised that specialist agency staff have been engaged to these services, pending IMTP funding approval where permanent recruitment exercises will be complete

Bank Recruitment

- Advertising frozen at present, 443 active Bank staff registered on the database with 185 working
- This leaves a pool of 258 people ready for work if required and the Divisions are asked to work with the Bank team to utilise the 258 people if bank workers are required

EMPLOYEE EXPERIENCE

Corporate Engagement

What we mean by Employee Experience:

“Employee Experience is how we provide personalisation to our staff about their experience with us an organisation. Understanding how we can provide staff with an experience that makes them want to keep working for us or to become advocates of us as an organisation when they leave. A truly positive employee experience is one where the employee feels special and appreciated for their individual contribution and talents, not simply a cog in a machine”.

In this section we look at key developments and activities in relation to induction, relationships, recognition, key projects and talent management.

People Development

- The Leading for Excellence and Innovation Programme will commence in March and colleagues have been asked to apply for places by 24th February. Applications will be approved by the OD team.

Industrial Action

- People and OD will continue to work with Divisions in relation to any impact on staff availability following the release of the projected school strike dates. We hope the impact for NWSSP will continued to be mitigated by agile working arrangements in most service areas.

Well-being and Inclusion

- A new Cultural Mental Health Page is soon to be launched to provide mental health resources specifically for those from Black and Ethnic Minority backgrounds. Further work
- A series of physical well-being events has commenced enable colleagues to share the experience of live fitness events together. The sessions are being delivered via Zoom and will take place once a month from February to July. They include general fitness, desk yoga and tai chi. Attendance was very low for the first session and so more will be done to promote further sessions.
- The final workshops have taken place which have allowed colleagues to respond to the results of the Talent, Inclusion and Diversity Evaluation report. The results will be analysed shortly and will feed into the development of NWSSP's Equality, Diversity and Inclusion Action Plan.

This is Our NWSSP

- The Values Behaviour Framework is ready to be launched at the NWSSP Coffee Morning which will focus on the NWSSP Strategy Map on 9th March .
- A series of 'You Said, We Did, What's Next' infographics are being developed to share progress with colleagues and updates on what to look out for
- Colleagues from the People and OD Team will showcase the work on This is Our NWSSP at the Healthcare People Management Association Wales Conference on 1st March

EMPLOYEE EXPERIENCE CONTINUED

Divisional Activity Update

Procurement

- Following staff focus groups at Bridgend Stores, a draft action plan is to be shared with management in February including recommendations for further improvements. Further sessions are scheduled in Quarter 4, to visit all Receipt and Distribution Sites within the Supply Chain.
- Members of the People and OD Team will start attending site, offering teams the opportunity to meet with Business Partners in person. These days are being called "Open Door Days" and are scheduled to take place across Wales.
- The People and OD team are currently supporting three Organisational Change Processes across Procurement Division.
- Members of the People and OD team will deliver a tailored session at Denbigh Stores on 23rd of February focusing on team building, working relationships, and how to effectively communicate with each other.

CIVAS@IP5

- A session about holding "Effective Performance Reviews" is scheduled with line managers in IP5 on 21st of February
- We are also exploring specific one-hour development sessions for managers focusing on soft people skills

Audit and Assurance

- A development session using Insights Discovery was delivered to the senior team on 8th of February. This forms part of the senior team's development and a further session will be scheduled to take forward any actions

Laundry Service

- The Laundry Service Lead Engineer posts have been filled across all sites including Swansea Bay which was filled by a Band 5 Engineer based in Glangwilli Laundry, this was undertaken through a prior consideration interview.
- The Laundry management have an increased presence on the Glangwilli Laundry given the long term absence of the Laundry Manager. Staff forums have been set up and an increased level of staff engagement has been introduced. Initial discussions will also be implemented on all individuals who have triggered under the Managing Attendance policy.

Transforming Access to Medicines (TrAMs)

- Successfully recruited to the National Workforce Lead vacancy and interviews on 10th March for the Clinical Lead vacancy. People and OD are working closely with Project Management colleagues to prepare for the larger change project (OCP2), which is likely to commence in April 2023.

Citizens Voice Body (CVB)

- Work on-going in preparation for the new Virtual Private Database (VPD) to house the new organisation will start to be built w/c 30th January 2023.

Primary Care Services

- TUPE discussions have commenced with the Low Vision Services in Hywel Dda, the data provided by Welsh Government for the transfer is 1st April 2023. We are currently awaiting the consultation document from Hywel Dda. Bethan Clift and Daniel Siderby are leading from a project perspective.



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NHS
WALES

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Cydwasaethau
Shared Services
Partnership

AGENDA ITEM:6.3

23 March 2023

The report is not Exempt

Teitl yr Adroddiad/Title of Report

Performance Update Report

**ARWEINYDD:
LEAD:**

**Alison Ramsey, Director of Planning,
Performance, and Informatics**

**AWDUR:
AUTHOR:**

**Richard Phillips, Business and Performance
Manager**

**SWYDDOG ADRODD:
REPORTING
OFFICER:**

**Alison Ramsey, Director of Planning,
Performance, and Informatics**

**Pwrpas yr Adroddiad:
Purpose of the Report:**

The purpose of this report is to provide the Shared Services Partnership Committee (SSPC) with an update on Key Performance Indicators (KPIs) for October 2022 – January 2023.

Llywodraethu/Governance

**Amcanion:
Objectives:**

Value for Money - To develop a highly efficient and effective shared service organisation which delivers real terms savings and service quality benefits to its customers.

Excellence - To develop an organisation that delivers process excellence through a focus on continuous service improvement, automation and the use of technology.

Staff - To have an appropriately skilled, productive, engaged and healthy workforce.

**Tystiolaeth:
Supporting
evidence:**

NWSSP IMTP 2022-25

Ymgynghoriad/Consultation :

Senior Leadership Group

Adduned y Pwyllgor/Committee Resolution (insert ✓):						
DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE
Argymhelliad/ Recommendation		The Shared Services Partnership Committee is requested to NOTE:				
		1. Changes to the Performance Framework agreed by SLG in February 23.				
		2. The work in progress on Outcome measures that will be brought back to a SSPC development session in June 23.				
		3. The significant level of professional influence benefits generated by NWSSP to 31st January 2023.				
		4. The performance against the high-level key performance indicators to 31st January 2023.				

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct Impact
Cyfreithiol: Legal:	No direct Impact
Iechyd Poblogaeth: Population Health:	No direct Impact
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct Impact
Ariannol: Financial:	Professional Influence Benefits for NHS Wales
Risg a Aswariant: Risk and Assurance:	Organisation Performance Assurance
Safonau Iechyd a Gofal: Health & Care Standards:	No direct Impact
Gweithlu: Workforce:	No direct Impact
Deddf Rhyddid Gwybodaeth/	Open

NWSSP Performance Information Report

Covering Period October to
January 2023

*Adding Value
Through Partnership,
Innovation and Excellence*

Purpose

The purpose of this report is to provide the Shared Services Partnership Committee (SSPC) with an update on Key Performance Indicators (KPIs) for October 2022 – January 2023.

Health Organisations received their individual performance reports for Quarter 3 at the end of January.

NB February information is not available at the time of writing for the March SSPC deadline.

Key Messages

The in-month January performance was generally good with 32 KPIs achieving the target against the total of 37 KPIs.

However, 5 KPIs did not achieve the target and are considered Red/Amber. For these indicators where the target is missed there is a brief explanation included.

NWSSP have also made changes to our Performance Framework relating to escalating concerns and trigger points.

Professional influence benefits amount to £117M at end of January.

Changes made to our Performance Framework

*Adding Value
Through Partnership,
Innovation and Excellence*

Changes made to our Performance Framework

Following discussions at recent SLG and SSPC meetings we have agreed changes to our Performance Framework.

This will include triggers for escalation and the involvement of the Service Improvement Team to work with our services/divisions.

The way the revised Performance Management Framework would operate is on the principle that, wherever possible, issues should be resolved at service or divisional level with support from corporate divisions and work collaboratively.

This means escalation should be very much the exception and that, where it is necessary, it is proportionate and appropriate support and intervention takes place at the earliest opportunity.

This is to ensure performance gets back on track and remains on track to achieve our objectives. It is important to recognise that issues or areas of work will be put into escalation rather than team or individuals.

Changes made to our Performance Framework

The RAG and response to these key questions would be used to determine the escalation level

- Why is Performance underachieving?
Resource, Demand on Service, System Issue etc
- How are we going to improve performance?
Targeted action, Additional Resource, Process Change etc
- When is performance expected to Improve?
Next Month, Next Quarter etc

The suggested Escalation process is detailed on the next slide.



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Cydwasaethau
Shared Services
Partnership

Corporate Management Performance Framework



Suggested escalation process

Level 0 - Targets Delivered

- **Trend:** Green Rating + Static/Upward Trend or Amber + Upward Trend
- **Action:** Routine Monitoring

Level 1 - Failure to achieve / maintain target(s)

- **Trend:** Red/Amber and / or Declining Trend for 3 months
- **Action:** SLG notified. Agenda item & Plan for recovery and consider SIT for Root Cause Analysis Support

Level 2 - Ongoing failure to maintain target(s)

- **Trend:** Red/Amber and / or Declining Trend for 2 following recovery plan introduced
- **Action:** SLG instigates targeted intervention and may request a series of necessary changes to deliver required outcomes and consider SIT for Root Cause Analysis Support. Monthly more detailed reporting

Level 3 - Continued failure to improve despite Level 2 escalation

- **Trend:** Red >3mths+Declining Trend>3mths
- **Action:** Issue escalated to Managing Director who may ask for Weekly monitoring. Weekly updates against detailed action plans will be required

Development of Outcome measures



Development of Outcome measures

NWSSP has developed a new strategy map for 23-26.

As part of the strategy map NWSSP have developed 12 organisational outcomes aligned to our strategic objectives.

NWSSP has set up a Performance and Outcomes Group to develop Outcome measures for all of our divisions to demonstrate the achievement of the outcomes.

The outcome measures will supplement our current reporting suite of performance measures which are typically transactional and process driven.

Timescales

An initial workshop to developing outcome measures with SLG was held on the 16th March 2023.

This with a view to exploring and discussing our progress with SSPC members at a development session on the 9th June 2023.

Current Performance

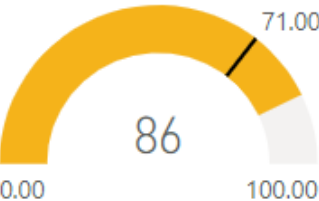
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Summary Position by exception – 5 KPIs currently off target

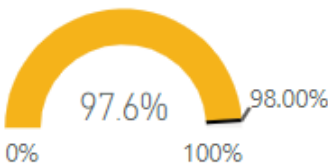
Performance - January 23

Recruitment

Average Days Vacancy creation to unconditional offer within 71 days

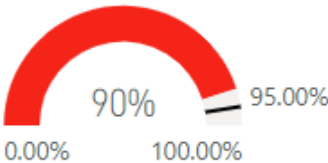


Recruitment - % of conditional offer letters sent within 4 working days



Payroll

Payroll % Calls Handled

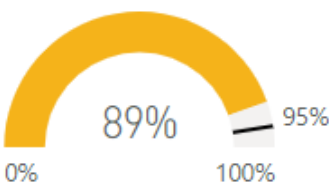


Audit & Assurance

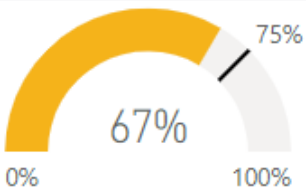
Audit Reports to agreed Audit Committee

No
(See Explanation in Body of Report)

Report turnaround fieldwork to draft reporting [10 days]





















Report turnaround management response to draft report [15 days]











Summary of Key Performance Indicators – January 23

22/23								
KFA	KPIs	Target		October	November	December	January	Trend
Audit & Assurance								
Excellence	Audit opinions/annual reports on track	Y/N	Monthly	Y	Y	Y	Y	
Excellence	Audits delivered for each Audit Committee in line with agreed plan	Y/N	Monthly	Y	Y	Y	N	
Excellence	Report turnaround fieldwork to draft reporting [10 days]	95%	Monthly	91%	93%	90%	89%	
Excellence	Report turnaround management response to draft report [15 days]	75%	Monthly	81%	75%	69%	67%	
Excellence	Report turnaround draft response to final reporting [10 days]	95%	Monthly	100%	100%	99%	99%	
Procurement Services								
Value for Money	Procurement savings *Current Year	£14m	Cumulative	£28,898,165	£29,714,756	£38,486,378	£33,179,504	
Accounts Payable								
Value for Money	Savings and Successes		Monthly	£35,071	£47,485	£33,778	£36,300	
Excellence	All Wales PSPP – Non-NHS YTD	95%	Quarterly	Reported Quarterly	Reported Quarterly	95%	Reported Quarterly	
Excellence	All Wales PSPP –NHS YTD	95%	Quarterly	Reported Quarterly	Reported Quarterly	88.10%	Reported Quarterly	
Customers	Accounts Payable % Calls Handled (South)	95%	Monthly	99.50%	99.00%	98.80%	99.70%	
Employment Services								
Payroll								
Excellence	Overall Payroll Accuracy	99.60%	Monthly	99.61%	99.64%	99.60%	99.74%	
Customers	Payroll % Calls Handled	95%	Monthly	80.48%	77.19%	79.89%	89.88%	
Recruitment								
All Wales								
Excellence	All Wales - % of vacancy creation to unconditional offer within 71 days		Monthly	51.90%	51.30%	55.30%	53.20%	
Excellence	Average Days Vacancy creation to unconditional offer within 71 days		Monthly	77.60	78.50	74.70	85.60	
Recruitment Responsibility								
Excellence	Recruitment - % of Vacancies advertised within 2 working days of receipt	98.00%	Monthly	99%	92%	95%	100%	
Excellence	Recruitment - % of conditional offer letters sent within 4 working days	98.00%	Monthly	96%	98%	96%	97.6%	
Customers	Recruitment % Calls Handled	95%	Monthly	94%	95%	93%	98%	

Summary of Key Performance Indicators – January 23

22/23									
KFA	KPIs	Target		October	November	December	January	Trend	
Student Awards									
Excellence	% of NHS Bursary Applications processed within 20 days	100.00%	Monthly	100.00%	100.00%	100.00%	100.00%		
Customers	Student Awards % Calls Handled	95%	Monthly	95.89%	96.46%	95.56%	99.11%		
Primary Care									
Excellence	Primary care payments made in accordance with Statutory deadlines	100%	Monthly	100%	100%	100%	100%		
Excellence	Prescription - keying Accuracy rates (Payment Month)	99%	Monthly	99.79%	99.78%	99.72%	99.67%		
Excellence	Urgent medical record transfers actioned within 2 working days	100%	Monthly	100%	100%	100%	100%		
Customers	Patient assignment actioned within 24 hours of receipt of request	100%	Monthly	100%	100%	100%	100%		
Customers	Category A Cascade alerts to be issued within 4 hours of receipt	100%	Monthly	100%	100%	100%	100%		
Legal & Risk									
Value for Money	Savings and Successes	£65m annual target	Monthly	£5,327,832	£797,226	£8,702,989	£5,103,007		
Excellence	Timeliness of advice acknowledgement - within 24 hours	90%	Monthly	100%	100%	100%	100%		
Excellence	Timeliness of advice response - within 3 days or agreed timescale	90%	Monthly	100%	100%	100%	100%		
Welsh Risk Pool									
Excellence	Time from submission to consideration by the Learning Advisory Panel	95%	Monthly	100%	100%	100%	100%		
Excellence	Time from consideration by the Learning Advisory Panel to presentation to the Welsh Risk Pool Committee	100%	Monthly	100%	100%	100%	100%		
Excellence	Holding sufficient Learning Advisory Panel meetings	90%	Monthly	100%	100%	100%	100%		
Specialist Estates Services									
Value for Money	Professional Influence	£16m annual	Monthly	£1,934,163	£2,587,649	£3,476,528	£1,894,284		
Excellence	Timeliness of Advice - Initial Business Case Scrutiny	95%	Monthly	Not Applicable	100%	100%	100%		
Customers	Issues and Complaints	0	Monthly	0	0	0	0		
CTES									
Excellence	P1 incidents raised with the Central Team are responded to within 20	80%	Cumulative	100%	100%	100%	100%		
Customers	BACS Service Point tickets received before 14.00 will be processed the	92%	Monthly	100%	100%	100%	100%		

Summary of Key Performance Indicators – January 23

22/23								
KFA	KPIs	Target		October	November	December	January	Trend
Digital Workforce								
Customers	DWS % Calls Handled	70%	Monthly	92.70%	97.00%	96.20%	97.10%	
SMTL								
Excellence	% of incident reports sent to manufacturer within 50 days of	90%	Monthly	100%	100%	100%	100%	
Excellence	% delivery of audited reports on time (Commercial)	87%	Monthly	84%	98%	95%	93%	
Excellence	% delivery of audited reports on time (NHS)	87%	Monthly	100%	Not Applicable	Not Applicable	Not Applicable	
Customers	% delivery of Technical assurance evaluations on time	87%	Monthly	100%	100%	Not Applicable	100%	
Pharmacy Technical Services								
Excellence	Service Errors	<0.5%	Monthly	0%	0%	0%	0%	
Medical Examiners Service								
Excellence	Deaths Scrutinised	60%	Monthly	100%	100%	100%	100%	
All Wales Laundry								
Excellence	Orders dispatched meeting customer standing orders	85%	Monthly	97%	110%	110%	92%	
Excellence	Delivery's made within 2 hours of agreed deliver	85%	Monthly	100%	100%	100%	100%	
Excellence	Microbiological contact failure points	85%	Monthly	94%	94%	94%	94%	
Customers	Inappropriate items returned to the laundry including Clinical waste items	<5	Monthly	0	0	0	0	

Audit & Assurance

				22/23				Trend
KFA	KPIs	Target		October	November	December	January	
Audit & Assurance								
Excellence	Audits delivered for each Audit Committee in line with agreed plan	Y/N	Monthly	Y	Y	Y	N	
Excellence	Report turnaround fieldwork to draft reporting [10 days]	95%	Monthly	91%	93%	90%	89%	
Excellence	Report turnaround management response to draft report [15 days]	75%	Monthly	81%	75%	69%	67%	

What is happening?

Audits reports to agreed Audit Committee has been highlighted overall as “No” with 7 of the 13 health organisations not achieving the target. The reasons highlighted for this were either fully or partly down to internal delays caused by field work delays which has also resulted in the Report turnaround field work to draft to miss the target with 89% against a target of 95%.

Report turnaround management response to draft report [15 days] which measures the performance of turnaround times within the health organisation. The target has been missed in January achieving 67% against the target of 75%.

What are we doing about it and when is performance expected to improve?

A&A are planning to deliver all audits in agreed and updated audit plans in time for our annual audit reports and opinions.

Continually working with organisations to review plans and audits that are behind schedule and will realign out resources to audits as required.

Any delays are discussed directly with the health orgs and are made aware of any revised timings.

Heads of Audit continue to discuss report turnaround delays directly with Health Organisations.

Employment Services – Payroll % Calls Handled

KFA	KPIs	Target	October	November	December	January	Trend
Employment Services Payroll							
Customers	Payroll % Calls Handled	95%	Monthly	80.48%	77.19%	79.89%	89.88%

What is happening?

For the month of January performance improved resulting in 90% of the calls handled against the target of 95%. The December performance was 80% and 77% in November.

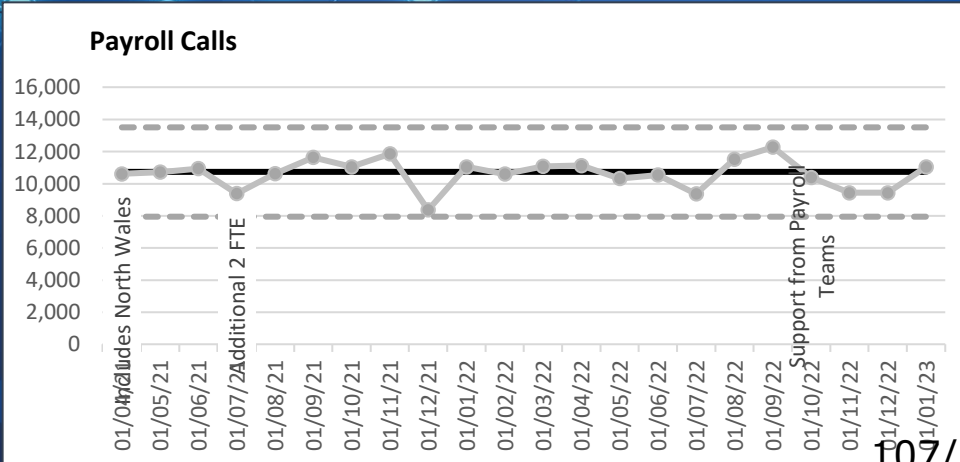
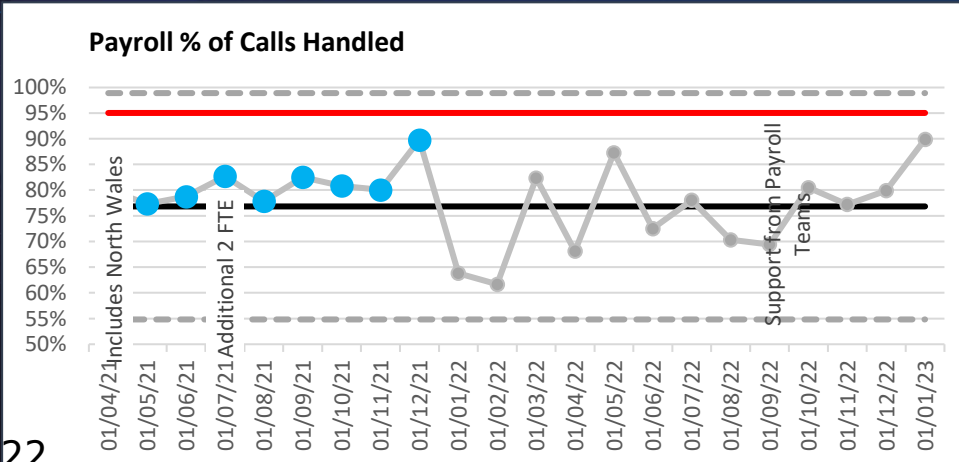
What are we doing about it and when is performance expected to improve?

Performance has improved this month however, still within normal variation and remains behind target. During November the transfer of the contact centre commenced with moving the call handling into the payroll teams this is planned to be fully complete by the end of February. Early indications have shown improvements in call handling for February and it is anticipated the target will be exceeded.

Following the SSPC meeting January the decision was taken to move the reported performance from Amber to Red for December until performance has improved for a sustained period.

As you would expect when the payslips are made available and actual pay day are the pressure points where a high volume of calls is received on a couple of days and where most of the unanswered calls can be attributed to.

The charts below show performance and activity over the last 21 months.



Employment Services – Recruitment

22/23

KFA	KPIs	Target		October	November	December	January	Trend
Employment Services Recruitment All Wales								
Excellence	Average Days Vacancy creation to unconditional offer within 71 days	Monthly		77.60	78.50	74.70	85.60	

What is happening?

The target of creation to unconditional offer within the 71 days has been missed with an average of 86 days. Only 53% of the records were within the 71 days target. There were in excess of 300 records processed over 91 days in January. In broad terms the 71 days can be attributed to as follows :

Responsibility	Days
NWSSP	14
Organisation (Approval)	10
Recruiting Manager	33
Candidate/Occ Health (These can overlap)	14
	71

What are we doing about it and when is performance expected to improve?

During January there has been a push on processing incomplete records which when processed over the 71 day target does affect the average days, this will become less of an issue as more records are cleansed but unable to confirm when this work will be completed. recruitment activity stabilising, the team have been able to undertake more pro-active tasks which has resulted in a greater number of applicant journeys being completed. The processing of incomplete records is a positive action to take, it does however impact the time to hire by increasing averages across Wales.

The following slides highlight the trend of creation to unconditional offer within 71 days and the variation between health organisations. In addition the following slide highlights the number of conditional offers sent over time.

Employment Services – Recruitment

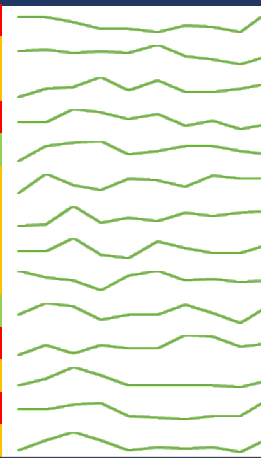
Recruitment

Vacancy Creation to Unconditional Offer

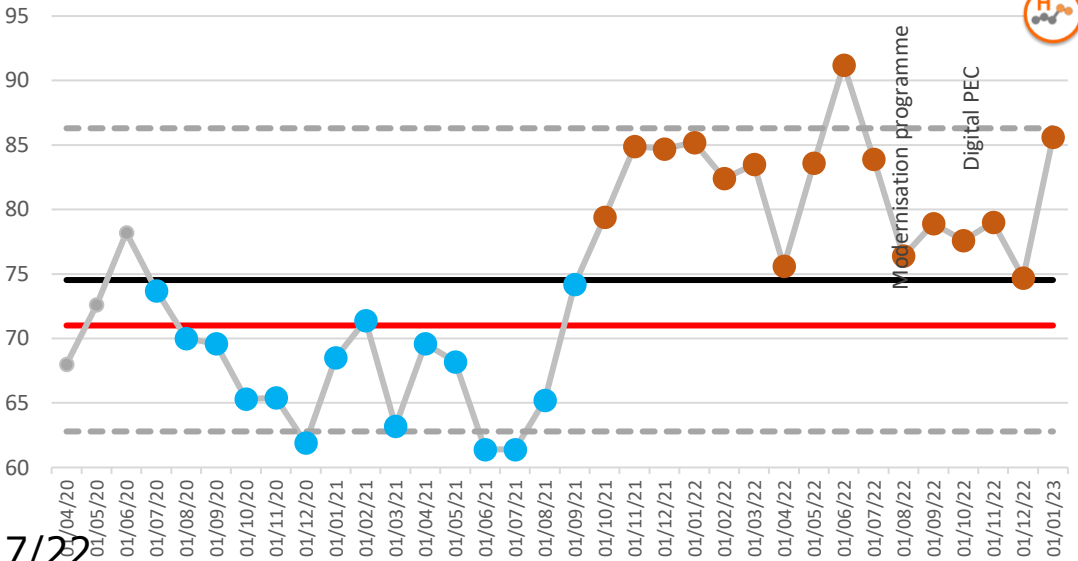
Org
AB
BCU
CV
CTM
HD
HEIW
DHCW
NWSSP
PTHB
PHW
SBU
VEL
WAST
All Wales

Target	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
71	102	102	94	86	87	81	89	89	81	110
71	85	88	84	86	84	94	80	76	70	80
71	80	85	85	92	84	90	83	83	84	88
71	97	99	116	111	102	110	94	101	89	96
71	59	76	79	82	67	71	76	77	71	67
71	48	80	61	52	71	69	59	77	72	72
71	53	57	84	58	66	60	75	67	74	75
71	63	65	82	60	55	79	68	61	61	72
71	80	76	73	66	77	80	73	74	72	72
71	60	68	65	56	60	60	66	60	54	65
71	73	87	75	87	84	82	103	100	86	90
71	74	87	114	97	73	75	73	74	71	85
71	113	111	127	131	92	85	81	90	93	142
71	76	84	91	84	76	79	78	79	75	86

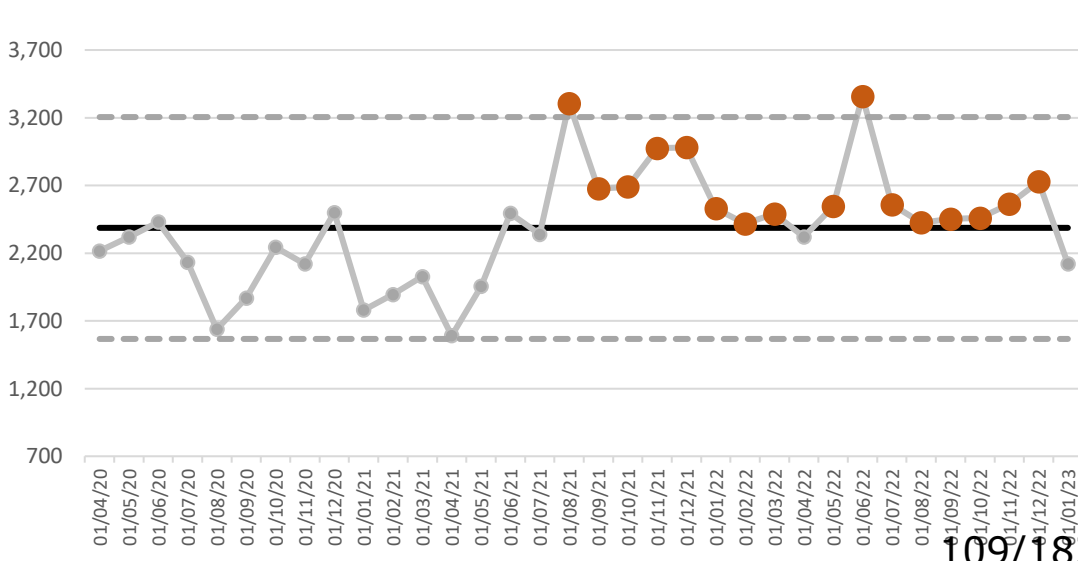
Trend



Vacancy Requested to Unconditional Offer



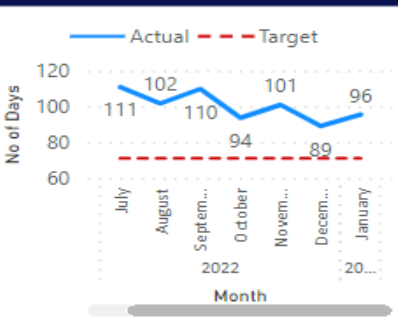
Number of Conditional Offers Sent



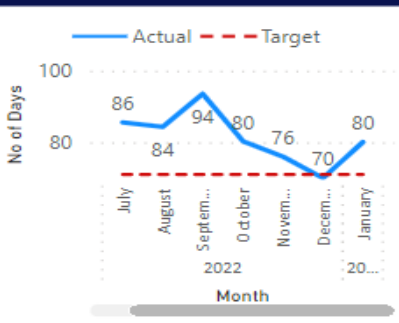
Employment Services – Recruitment

The Recruitment Modernisation Process changes were implemented for CTM in August 2022 and BCU in September 2022, with implementation for C&V, AB, Vel, VCC, WBS, NWSSP, DHCW and HEIW in October 2022. HD, SB, PHW, WAST and Powys went live in December 2022. The charts below show the Vacancy creation to unconditional offer for the individual organisations July – January 23.

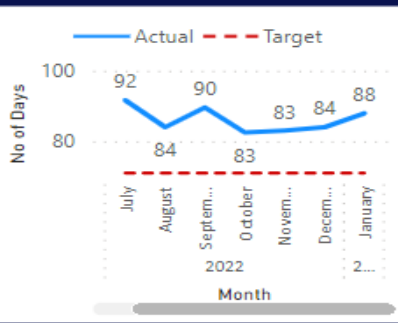
CWM TAF MORGANNWG



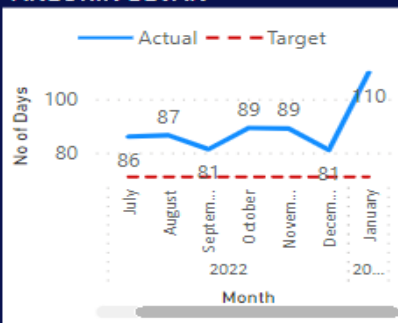
BETSI CADWALADR



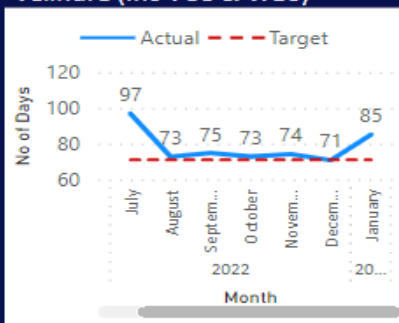
CARDIFF & VALE



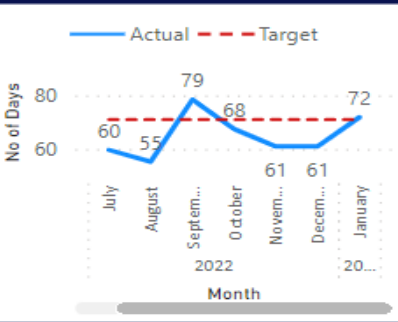
ANEURIN BEVAN



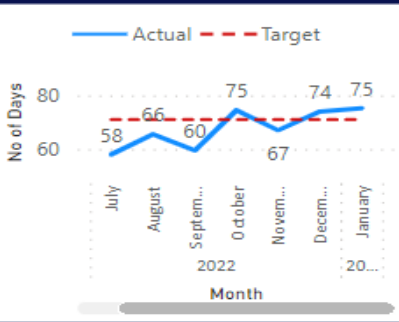
Velindre (Inc VCC & WBS)



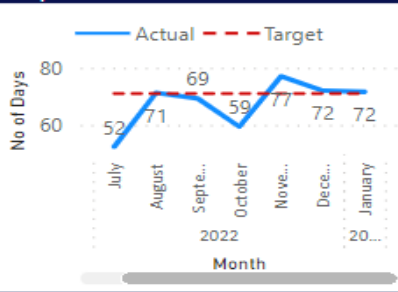
NWSSP



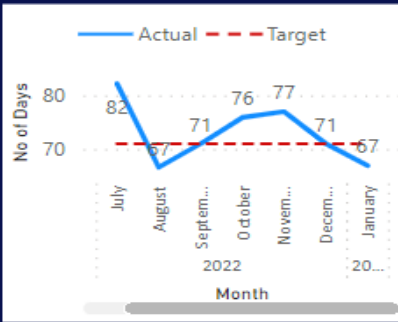
DIGITAL HEALTHCARE



Health Education and Improvement Wales



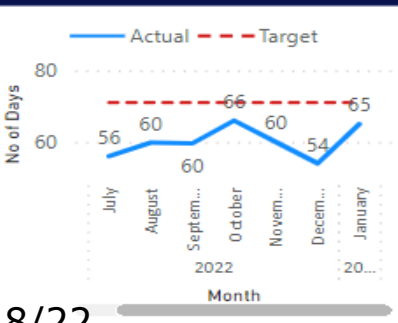
HYWEL DDA



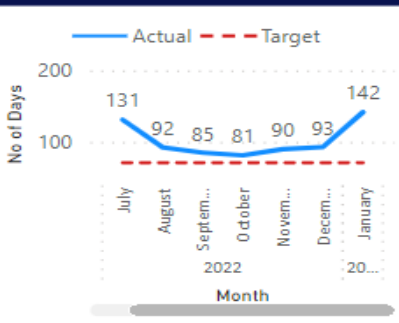
SWANSEA BAY



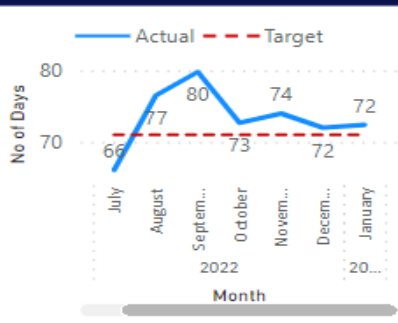
PUBLIC HEALTH WALES



WELSH AMBULANCE SERVICE



POWYS



All Wales



Vacancy Creation to unconditional offer

Recruitment Services – % of conditional offers sent within 4 working days of receipt

22/23

KFA	KPIs	Target		October	November	December	January	Trend
Employment Services Recruitment Recruitment Responsibility								
Excellence	Recruitment - % of conditional offer letters sent within 4 working days	98.00%	Monthly	96%	98%	96%	97.6%	

What is happening?

97.6% of records have the conditional offer letters sent within the target of 4 days with an average of 3.2 days.

What are we doing about it and when is performance expected to improve?

The slight under performance was due to the bulk receipt of offer letters. Performance will hopefully improve next month providing the bulk receipt of offer letters are manageable.

Professional Influence Benefits

The main financial benefits accruing from NWSSP relate to professional influence benefits derived from NWSSP working in partnership with Health Boards and Trusts. These benefits relate to savings and cost avoidance within the health organisations.

- **Legal Services** – Settled Claims savings, damages and cost savings.
- **Procurement Services** – Cost reduction, catalogue management etc.
- **Specialist Estates Services** – Property management/lease/rates negotiated reductions and Build for Wales framework savings.
- **Counter Fraud Services** – Financial Recoveries.
- **Accounts Payable** - statement reconciliation, priority supplier programme and the prevention of duplicate payments.

The indicative financial benefits across NHS Wales arising in the period April 2022 – January 2023 are summarised as follows:

Service	YTD Benefit £m
Specialist Estates Services	12.7
Procurement Services	33.2
Legal & Risk Services	65.2
Accounts Payable	4.4
Counter Fraud Services	1.7
Total	117

Other points to Note

Specialist Estates Services – Professional Influence – The higher comparative figures reported for October and November relate to Build 4 Wales figures which are reported quarterly and a specific rental reimbursement case respectively.

Legal and Risk Services – Professional Influence – The lower figure reported in November is attributed to a lower volume of cases closed with values in excess of £100k compared to previous months.

SMTL – Delivery of Commercial Audit Reports – The under performance in October was due to sickness and leave within a small team causing delays in the writing and signing off of reports. A reallocation of some duties has released capacity for the reporting writing by technicians.

Summary

The Shared Services Partnership Committee is requested to **NOTE**:

- Changes to the Performance Framework agreed by SLG in February 23.
- The work in progress on Outcome measures that will be brought back to a SSPC development session in June 23.
- The significant level of professional influence benefits generated by NWSSP to 31st January 2023.
- The performance against the high-level key performance indicators to 31st January 2023.





GIG
CYMRU
NHS
WALES

Partneriaeth
Cydwasaethau
Shared Services
Partnership

AGENDA ITEM:6.4
23 March 2023

The report is not Exempt

Teitl yr Adroddiad/Title of Report

NWSSP Integrated Medium Term Plan Progress Report
– Quarter 3

ARWEINYDD: LEAD:	Alison Ramsey, Director of Planning, Performance, and Informatics
AWDUR: AUTHOR:	Helen Wilkinson, Planning and Business Change Manager
SWYDDOG ADRODD: REPORTING OFFICER:	Helen Wilkinson, Planning and Business Change Manager
MANYLION CYSWLLT: CONTACT DETAILS:	Helen.wilkinson3@wales.nsh.uk / MS Teams

**Pwrpas yr Adroddiad:
Purpose of the Report:**

The purpose of this report is to provide the Partnership Committee with an update on the progress of our Integrated Medium-Term Plan (IMTP) for Quarter 3.

This report has also been shared with the Welsh Government.

Llywodraethu/Governance

Amcanion: Objectives:	<p>Excellence – to develop an organisation that delivers a process excellence through a focus on continuous service improvement.</p> <p>Value for Money - To develop a highly efficient and effective shared service organisation which delivers real terms savings and service quality benefits to its customers.</p> <p>Customers and Partners – Open and transparent customer-focussed culture that supports the delivery of high quality services.</p>
Tystiolaeth: Supporting evidence:	The NWSSP IMTP 2022/2025, as approved by the Partnership Committee in January 2022 and submitted to the Welsh Government.

Ymgynghoriad/Consultation :

Supporting evidence provided by NWSSP Divisions.

Adduned y Pwyllgor/Committee Resolution (insert ✓):

DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE	✓
Argymhelliad/ Recommendation		The committee is asked to note the content of the paper and provide feedback to inform future reports.					

**Crynodeb Dadansoddiad Effaith:
Summary Impact Analysis:**

Cydraddoldeb ac amrywiaeth: Equality and diversity:	Not applicable
Cyfreithiol: Legal:	Not applicable
Iechyd Poblogaeth: Population Health:	Not applicable
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	
Ariannol: Financial:	Not applicable
Risg a Aswiriant: Risk and Assurance:	Assurance that NWSSP are on track to achieve the 2022/23 IMTP objectives.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf Governance, Leadership and Accountability
Gweithlu: Workforce:	Not applicable.
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open.

NWSSP Integrated Medium Term Plan 2022/25 Progress Report

-
2022/23 Quarter 3



Report author: Helen Wilkinson
Version: 1.0
Date: 11 January 2023

*Adding Value
Through Partnership,
Innovation and Excellence*

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8. What do our Quarter 3 plans mean to our partners?	pg12
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- **Background**

This is our third report to provide an update on progress relating to our delivery of our IMTP objectives for 2022/23.

The monitoring system, via Microsoft Lists (MS Lists) has continued to be an effective way of tracking our progress against each of the objectives we set for year 1.

We understand that this is still a new way of working for our teams and that we need to continue to provide, agility, flexibility, and adaptability to this approach, which we have adopted throughout Quarters 2 and 3, with amendments made to the Reporting Tracker and provision of continued support to those Divisions who need it.

We are still working towards embedding the process fully and understand this will take time. The utilisation of MS Lists to inform our planning and objective setting for the next IMTP cycle has supported the bedding in of MS Lists.

Moving into Quarter 3 reporting, we have sustained the rigour to our reporting, as seen within Quarter 2, with the focus on those objectives that are being reported as 'off track', with scrutiny being applied through our Quarterly Review process.

- **Key Messages**

In Quarter 3 we have seen further progress being made towards achieving our IMTP objectives for Year 1, 2022/23.

At the end of Quarter 3, **8%** of our total objectives are completed and closed and **73%** are on track to be completed, see comparison **Table 1** below.

	Quarter 2	Quarter 3
Completed/closed	1%	5%
On track	74%	73%
At risk of being off track	12%	11%
Off track	6%%	5%
Not yet started	3%	1%
Objective discontinued	2%	5%

Table 1 – Q2 and Q3 comparison

The 'objectives discontinued' comprise of 7 objectives within our Accounts payable service. 3 of the objectives were reported in Quarter 2 as being discontinued and the remaining 4 are because of 2 objectives being

merged into other live objectives and the remaining 2 objectives were due to project support not being required at the current time.

- **Quarter 3 analysis**

Overview analysis

In Quarter 3 we reported on **143 divisional objectives across 15 divisional level IMTPs**. There has been no increase in objectives in Quarter 3, therefore reporting remains the same as Quarter 2. The split of objectives can be seen below in **Figure 1**.

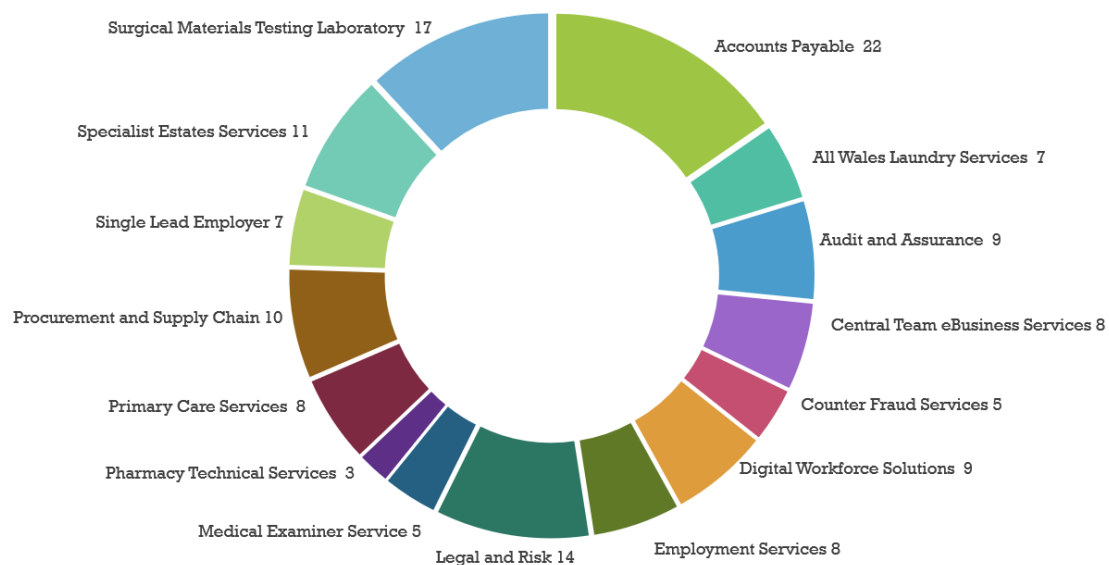


Figure 1 – *Split of Divisional Objectives*

The reporting is based on a self-assessment by the divisional Heads of Service, and this will be scrutinised through the quarterly review process in January 2023.

Figure 2 shows the objectives status overall for Quarter 3, and **Figure 3** shows the break down by division.

Objective Status

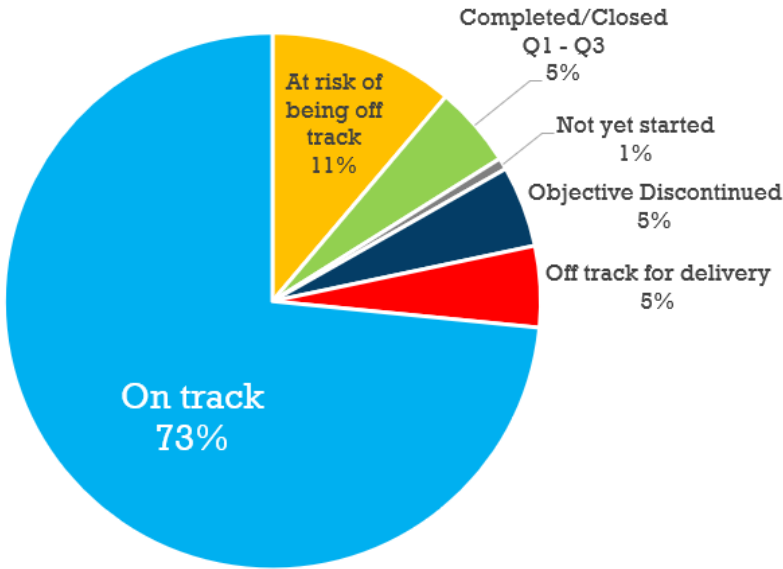


Figure 2 – Objective Status

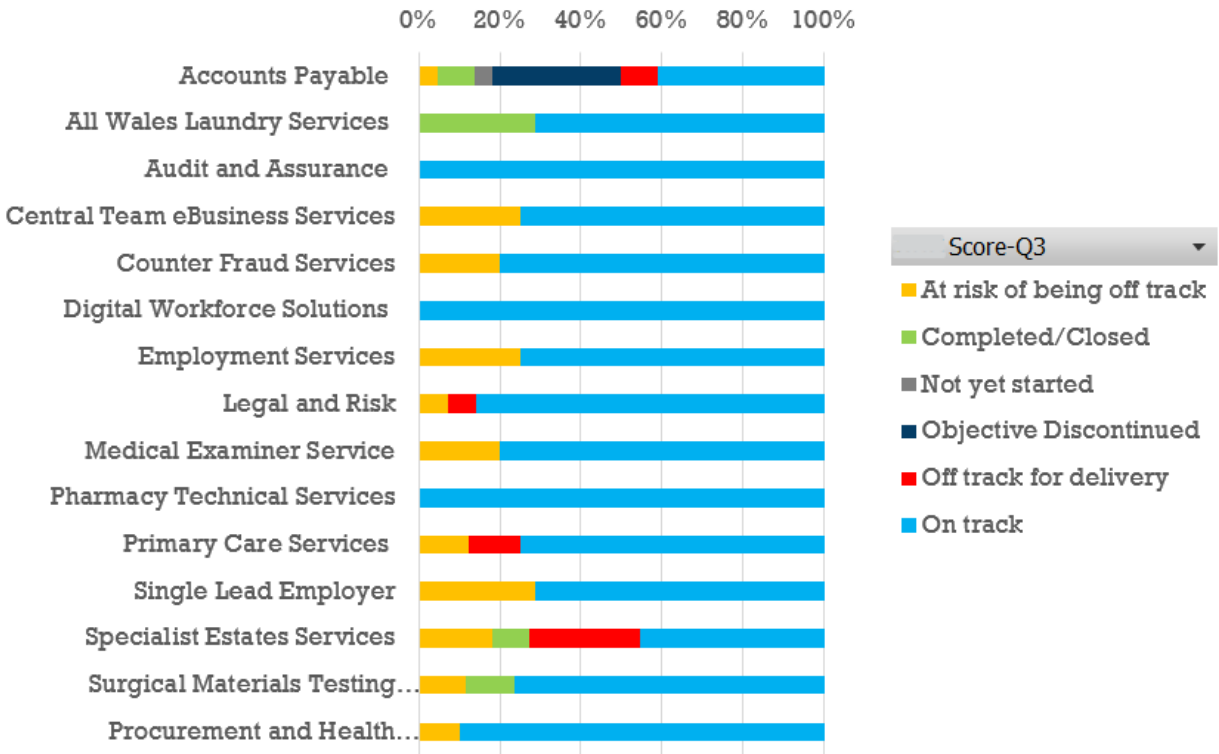


Figure 3 – Objective Status breakdown by division

The **5%** of **divisional objectives** that are '**off track for delivery**' are made up of **7 objectives** over **4 divisions**. As shown in **Figure 4** on page 8.

Division	Desired Objective	Progress Update – Q3
Legal and Risk	Test, deploy and develop a new case/document management system.	Negotiations with the provider are ongoing. Two-year interim arrangements are in place. An options appraisal for future Case Management System is to be arranged.
Primary Care Services	Improve the quality of data management products.	Scope and approach of the pre-delivery phase defined and approved in Quarter 3, however progress into delivery phase has been halted due to departmental resource pressures compounded by loss of resource and discussions with the national Data & Digital Technology Working Group with regards to potential overlaps with their workstream.
Accounts Payable	Increase monthly Robotic Process Automation (RPA).	This is currently on hold due to technical issues with the RPA software. The RPA Team are in conversation with DHCW to fix this. In addition, we have looked at what the market can offer and we can use a product from Fiscal Tec. We are familiar with Fiscal Tec as we use one of their products to prevent duplicate payments being made. However, in order to use Fiscal Tec's new Statement Reconciliation software, we need to move to Fiscal Tec's new operating platform, referred to as NXG. We also require the NXG platform operational in order to utilise Fiscal Tec's upgraded duplicate payment software.
Accounts Payable	Commence an e-Trading trial using PEPPOL. PEPPOL (Pan-European Public Procurement On-Line) is a standard that enables your company to send electronic invoices to public sector clients.	Proof of concept and connectivity testing completed with Aneurin Bevan Health Board and now full Purchase Order testing will commence.
Specialist Estates Services	Agile Working Estates Strategy.	Over the last few months options have arisen in the Welsh Government estate. Some initial work has been undertaken, including feasibility costings. These options will be considered further in the next Agile Estates Programme Board meeting.
Specialist Estates Services	Transformation of the existing laundry service.	Scrutiny review is now nearing completion. If capital funding is unavailable, contingency plans are being developed.
Specialist Estates Services	Support the implementation of the InSite national asset database.	Specialist Estates Services (SES) is liaising with Welsh Government and the software consultants to negotiate for NHS Wales requirements to be incorporated into the new InSite system. The InSite system is running behind schedule and a recently announced proposed change of software consultant will lead to further delays. A member of the SES Property team has recently joined Cabinet Office Steering Group meetings for the project. Communication to NHS Wales will be provided at appropriate stages and training will be provided once InSite is live. InSite was due to go live in autumn 2022 but the new software consultant is unlikely to be appointed before the end of Quarter 1 2023 so it is expected that this objective will slip into 2023-24. Awaiting announcement from the Cabinet Office in relation to the details of the new software consultant and the revised delivery timetable.

Figure 4 – Divisional Objectives 'Off track' for delivery

The **11%** of **Divisional Objectives** that are '**at risk of being off track**' are made up of **16 objectives** over **9 divisions**. As shown in **Figure 5 below** (pages 9 to 11).

Division	Desired Objective	Progress Update – Q3
Procurement and Health Courier Services	Improve supply chain logistics, distribution, and facilities management at Regional Stores to reduce carbon emissions.	Light Emitting Diode lighting has been ordered and will be installed at IP5 in Quarter 4. UK Heavy Goods Vehicle pilot project unlikely to be delivered in current format. Await UK update on way forward.
Legal and Risk and Welsh Risk Pool	Lead & coordinate the implementation and maintenance of the Once for Wales Concerns Management System (OFWCMS).	Strategic meeting to discuss delays and technical issues with some aspects of the OfWCMS system. Safeguarding moved to Phase 3 delivery with roll out of Safeguarding Management Form has been proposed to Programme Board. Portals work remains delayed and an alternative for submission of Welsh Risk Pool and DU data is being considered.
Primary Care Services	Automate the Performers List process.	Communications are being prepared for stakeholders to inform them of the change and specification will be finalised for review. The deadline for the tender release has been missed. Plans to award the contract by March 23, which will create a 3 month delay in system development and user testing.
Accounts Payable	Implement a Procure to Pay training programme for Procurement Services and Accounts Payable staff.	Consultation continues to develop the content which is causing some delays due to different practices across NHS Wales. Small requests for training and communications are also delaying major part of project.
Counter Fraud	Apply for Cabinet Office Government Professional Counter Fraud Standards (GCFPS).	Further reminders sent to Cabinet Office in Quarter 3, confirmed that current membership is limited to steering group members but will be extended to other bodies in 2023-24.
Central Team eBusiness Services	Software as a Service (SaaS) readiness - commence change programme.	Plan being drawn up in January 2023 with Version 1, which should include a Business Intelligence (BI) option. Submitted a new Service Request to Digital Health Care Wales. Indicative go-live date June/July 2024, plus contingency of September 2024.
Central Team eBusiness Services	Power BI solution / implementation.	Directors of Finance supported Strategy and Development Group (STRAD) recommendation to progress the QlikSense option. Plans being drawn up with Version1 and supplier for implementation before December 2024.
Employment Services	Review and implement a management structure across Employment Services (ES) division.	Refocus in Quarter 4 taking into consideration role re-design under the modernisation programmes.

Employment Services	RECRUITMENT: Moving to an All Wales Certificate of Sponsorship (CoS) department.	No change from the Home Office in terms of payment methods. Health Boards have been asked if they would like support from the central CoS Team, however there is very little interest in this currently, therefore this is the reason this objective is at risk of being off track, it is out of NWSSP control.
Medical Examiner Services	Partnership engagement programme.	Local Communications Plan developed but relies on Stakeholder Reference Group for many of the actions. This will be established in Quarter 4. All broader Medical Examiner System communications will be driven through Department of Health and Social Care communications, supported by Welsh Government. In addition, increased operational capacity frees time up for increased liaison with Health Boards via Assistant Medical Directors.
Specialist Estates Services	Support Health Boards/Trusts and other NHS Wales organisations in the development and implementation of decarbonisation plans.	Recruitment and retention difficulties are still being experienced which is delaying progress in setting up programme management arrangements. A Transport Task and Finish Group has been established, initially focusing on Electric Vehicle Charging Point Best Practice Guidance.
Specialist Estates Services	Refresh the fire safety web-based systems covering fire audits, fire risk assessments and fire related unwanted signals.	No further update and engagement with Digital Health Care Wales is ongoing. Aim to conclude and confirm next steps by February 2023.
Single Lead Employer	Improve operational systems and processes between Health Education and improvement Wales (HEIW), Single Lead Employer (SLE) team and host organisations.	The onboarding arrangements for August and September are being reviewed and some actions will arise from the review. There remain issues relating to late notification of bandings for trainees from some Health Boards, the notification from HEIW of trainees opting to reduce their working hours and the late notification from trainees and HEIW that the trainee is terminating their employment. In recent weeks a changes report has been developed by HEIW which will hopefully improve communication. There remain a small number of trainees who receive their certificate of completion of training (CCT) and leave at very short notice. A new process is also currently being developed for less than full time (LTFT) Trainees by HEIW to reduce the number of late notifications. The process for HEIW notifying NWSSP of terminations is also being looked at. In Quarter 1 and 2 new "Business As Usual Arrangements" have been implemented. There are monthly operational meeting between the NWSSP SLE Team and HEIW to monitor arrangements and problem solve any issues which are proving extremely useful. More actions recommendations will arise from SLE review which will need to be actioned.
Single Lead Employer	To support the implementation of new national pay terms and conditions of employment and updated contractual arrangements for junior medical staff in training.	Contract negotiations completed in Quarter 2 and trainees balloted in Quarter 3 via British Medical Association in relation to the new pay terms and conditions of employment. Trainees rejected the proposed pay terms and conditions, so negotiations are likely to recommence in the Spring 2023.

Surgical Materials Testing Laboratory	Implement new Laboratory Information Management System (LIMS) to modernise the system.	Delays in implementing the required VPN have meant that the specification is still to be finalised.
Surgical Materials Testing Laboratory	Validate EN 14683 Medical face masks requirements and test methods (breathability & splash resistance testing).	Test Methods and Standard Operating Procedures are still being written, unable to get issued as the equipment has developed a fault.

Figure 5 – Divisional Objectives 'at risk of being off track' for delivery

• Decarbonisation

Our local Decarbonisation Action Plan for 2022-23 is continuing to mature and be embedded in NWSSP with the involvement of the Project Management Office (PMO) and standard Project Management Documentation.

Activity in Quarter 3 includes:

- An interim Programme Director and two Project Managers have been appointed to aid coordination of both NWSSP and Welsh Government All Wales Coordination roles. The team is still not to full capacity, however, recruitment is ongoing to fully support all aspects of the programme.
- The NWSSP Programme Director and PMO have arranged a meeting with Welsh Government to agree coordination and reporting roles and processes in January 2023.
- Continued work is being carried out and promoted by our ISO Green Team. Maintenance of the ISO 14001 and embedding decarbonisation within it is ongoing with the next external audit (surveillance visit) due.
- The Transport Task & Finish group led by NWSSP has been successfully formed.
- The Specialist Estates Services team have completed their evaluation on proposals for Photovoltaics and solar panels, at IP5, Newport and Picketston, St Athan. The report has been summarised and presented to Procurement Services (who own/operate the relevant buildings) for their consideration. Conclusions are that (at the time of evaluation) the financial payback was unattractive as considerable work is required to the building structures before proceeding.
- Procurement Services have provided all necessary data to Health Boards which would have enabled them to submit their 2021-22 returns.
- In Quarter 3 NWSSP presented a Deep Dive to the National Programme Board on Decarbonisation and Climate Change on our system leadership role. We will also be updating the SSPC in January 2023.

• Foundational Economy

We continue to recognise the need to deliver sustainable and responsible products, provisions, and services as part of our Foundational Economy plans. We are continuing to focus on delivering our agreed work plan where we are actively exploring opportunities beyond the already agreed contracts and build employment opportunities into our work.

We are continuing to provide employment opportunities and have successfully recruited into a Widening Access role as part of our People and Organisational Development team. Work has begun to establish key community links in order to develop networks to enable opportunities to be offered to those in our communities. We are developing marketing materials and branding as part of this work.

In Quarter 3, we continued to deliver and monitor the award of Welsh contracts to Welsh suppliers, developed opportunities for increased revenue in new areas of expenditure into Wales, with over **£5.5m** contracts awarded to Welsh Suppliers in Quarter 3. The average overall spend within Wales for 2022/23 is currently at **36%**. In Quarter 3, we have expanded our reporting to Welsh Government to include ongoing projects and engagement with Welsh suppliers. The report will be further developed in Quarter 4 to include Tier 2 expenditures in Wales.

Our continued work to realign and integrate procurement services activity to deliver the objectives of the National Operating Model at a local, regional, and national level remain on-track.

• People and Organisational Development

Work continues within our People and Organisational Development plan with progress being made in all of our key focus areas:

- Resourcing
- People, insights, and analytics
- Organisational development
- Employee relations
- Excellence
- Organisational Design:
 - Business Agility
 - Agile Working

All objectives with the People and Organisational Plan are currently 'on track'. Within this quarter we have seen:

- Our agile toolkit has been updated and re-published.

- The People and Organisational Development Survey has been completed and released in January 2023 Q4).
- Our Values Behaviours Framework has been approved by the Local Partnership Forum and Senior Leadership Group and is to be launched in January 2023.
- The launch our Health and Wellbeing Framework.
- Recruitment into Widening Access role which will focus on the widening access agenda.

• Digital Plan

Our Digital Plan is linked through to our key digital themes which are: to support cloud first, agile working strategy and enable digital empowerment. We continue to work closely with our partner Digital Health and Care Wales on several objectives within this plan.

We have **8 digital objectives** in place of which **3 have been 'Completed/Closed'**, **3 are 'on track'** for completion and **2 are 'at risk of being off track'**, as shown in **Figure 6** below.

Division	Desired Objective	Progress Update – Q3
Informatics	Deliver remediation actions to support the recommendations of the CRU Cyber Assessment Framework (CAF) report	<ul style="list-style-type: none"> The Cyber Assessment Framework Risk Register has been completed. Business Impact Assessment templates have been developed and agreed but not yet integrated with the Business Continuity Plans.
Informatics	Champion and support cloud first approaches where relevant and feasible.	<ul style="list-style-type: none"> The proof of concept has been delayed due to resource limitations in Red Cortex (Microsoft certified partner that carries out consultancy work) and DHCW.

Figure 6 – Digital Objectives 'at risk of being off track'

- **What do our Quarter 3 plans mean to our partners?**

Specialist Estates Services

- ✓ A Transport Task and Finish Group has been established, initially focussing on Electric Vehicle charging points to support the National Decarbonisation Programme of work.
- ✓ A training plan has been produced comprising the delivery of a Property Matters in General Practice module to General Practice Trainees – feedback has been obtained which will form the content of and delivery of future training sessions.

Medical Examiner Services

- ✓ 'Never Events' are being tracked via a performance dashboard with individual interventions identified where merited.
- ✓ All Health Boards are now operational with the Medical Examiner Service with a small number of acute sites awaiting rollout. Work has also begun on a non-acute roll out.

Single Lead Employer

- ✓ We are continuing to enhance and improve partnership working with current trainees to improve service provision and have been holding regular meetings with the British Medical Association and trainees to problem solve any issues. This work continues in to Quarter 4.



Counterfraud Services

- ✓ New Counterfraud e-learning training has been developed and shared with the Finance Academy which will improve training availability to Health Boards.

Surgical Materials Testing Laboratory

- ✓ We are maintaining an All Wales Procurement Services contract testing schedule with, Lymphodema garment testing being completed in Quarter 3, resulting in a wound Management timeline change. Surgeons gloves will be tested in Quarter 4.
- ✓ We continue to work towards implementing a new SMTL reporting system for medical device alert incident reporting.

- **Conclusion**

In Quarter 3 we have seen further progress being made towards achieving our IMTP objectives for Year 1, 2022/23. We continue to progress our work with focussed alignment to our NWSSP Strategic Objectives and Ministerial Priorities.

Where progress with the planned objectives are considered 'off track' or 'at risk of being off track' then mitigation is in hand. The issues will be scrutinised in more detail during quarterly review meetings planned in January 2023 with responsible Directors and the Managing Director.

<i>The report is not Exempt</i>
Teitl yr Adroddiad/Title of Report
Project Management Office Update Report

ARWEINYDD: LEAD:	Alison Ramsey, Director of Planning, Performance, and Informatics
AWDUR: AUTHOR:	Ian Rose, Head of Project Management Office & Service Improvement
SWYDDOG ADRODD: REPORTING OFFICER:	Ian Rose, Head of Project Management Office & Service Improvement

Pwrpas yr Adroddiad: Purpose of the Report:
The purpose of this report is to provide the Shared Services Partnership Committee with an update on progress with key projects.

Llywodraethu/Governance	
Amcanion: Objectives:	Value for Money - To develop a highly efficient and effective shared service organisation which delivers real terms savings and service quality benefits to its customers. Excellence - To develop an organisation that delivers process excellence through a focus on continuous service improvement, automation and the use of technology. Staff - To have an appropriately skilled, productive, engaged and healthy workforce.
Tystiolaeth: Supporting evidence:	NWSSP IMTP 2022-25 approved by SSPC in January 2022.

Ymgynghoriad/Consultation :
Senior Leadership Group

Adduned y Pwyllgor/Committee Resolution (insert √):							
DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE	√
Argymhelliad/ Recommendation		The Committee is asked to NOTE the progress with key projects.					

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct Impact
yfreithiol: Legal:	Compliance with procurement regulations where applicable
Iechyd Poblogaeth: Population Health:	No direct Impact
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	No direct Impact

Ariannol: Financial:	Compliance with financial instructions and processes where applicable
Risg a Aswariant: Risk and Assurance:	
Safonnau Iechyd a Gofal: Health & Care Standards:	No direct Impact
Gweithlu: Workforce:	Capacity constraints are highlighted against each project where applicable
Deddf Rhyddid Gwybodaeth/ FOIA	Open



GIG Cymru Partneriaeth Cydwasaethau NHS Wales Shared Services Partnership PMO Report

NWSSP PMO Monthly Update - 15 March 2023

Prepared by Ian Rose

Monthly Summary

The PMO is currently supporting 'number of projects' of varying size, complexity, and providing a range of support from different points within the project lifecycle.

Projects 23

Programmes 5

The schemes have different SRO/Project Executive Leads across a number of NWSSP directorates and Health boards.

Also, within the schemes the breakdown of scheme size and coverage ranges from:

- **57% (16 Schemes) All Wales** – Typically where the scheme covers multiple health boards, and the schemes seek to implement products utilised on a multi health board or all Wales basis
- **43% (12 Schemes) NWSSP** – Typically serving internal purpose for one or more NWSSP Divisions
- **0% (0 Schemes) Health board** – Typically supporting schemes for health boards but where NWSSP play a role in the service provision

A number of initiatives are in the pipeline for onboarding which will increase the number of ongoing supported activities.

There are specific Programme Board or Steering Group arrangements in place for Laundry and TRAMs that involve PMs from the PMO, but performance is reported separately.

Future Pipeline 2023-24

The PMO will continue to support initiatives that underpin several Divisional IMTP objectives throughout 2023 and 2024.

In addition, engagement with Divisions and analysis of the 2023-2026 IMTP indicates a number of initiatives will require PMO support including areas such as Supply Chain & Logistics, Primary Care Services, SMTL, Digital Workforce Solutions and Legal & Risk and a small number of external initiatives, working with DHCW and other key stakeholder organisations.

SSPC Recommendation

To note the contents of the report

Key Trend Information and Initiative Overview

Initiatives – 28

Scheme Scale						
All Wales	SRO	RAG	SIZE	Estimated Start Date	Original Completion	% Completion
Single Lead Employer Phase 3	Ruth Alcolado	Green	Medium	01/06/2021	31/03/2023	90%
All Wales Laundry Transformation	Neil Davies	Red	LargeXOrg	04/04/2016	31/03/2023	95%
Once for Wales Concerns Management System	Jonathan Webb	Green	Large	01/01/2021	31/03/2023	0%
EPS Reimbursement claims	Andrew Evans	Amber	Large	01/10/2022	30/04/2023	25%
Citizens Voice Body (CVB)	Hazel Robinson	Green	Medium	30/04/2022	31/05/2023	61%
Demographic Transformation	Ceri Evans	Green	Large	21/06/2021	31/07/2023	62%
Student Awards System Existing Stabilisation and New System Spec	Darren Rees	Amber	Large	25/11/2019	01/08/2023	76%
Medical Examiner	Andrew Evans	Green	Medium	31/03/2021	31/10/2023	95%
Occupational Health Checks	Rebecca Jarvis	Green	Large	15/11/2021	30/11/2023	69%
GS1 Coding Locations	Andy Smallwood	Green	Large	24/08/2022	30/11/2023	21%
Expansion of Legal Services to Primary Care	Daniela Mahapatra	Green	Medium	02/02/2023	29/03/2024	81%
Workforce Reporting Intelligence System (Including Performers List)	Andrew Evans	Amber	Medium	13/04/2021	30/04/2024	55%
Scan 4 Safety	Andy Smallwood	Green	LargeXOrg	01/09/2021	31/08/2025	20%
Decarbonisation Programme	Neil Davies	Amber	Large	01/04/2022	31/03/2030	5%
ESR Transformation Programme	Gareth Hardacre	Green	LargeXOrg	01/10/2022	30/08/2030	0%
TRAMS Programme	Neil Frow	Amber	LargeXOrg	01/04/2021	31/03/2031	10%

NWSSP	SRO	RAG	SIZE	Estimated Start Date	Original Completion	% Completion
Health Roster Implementation	Rebecca Jarvis	Green	Medium	TBC	TBC	TBC
Laundry Transition	Neil Davies	Amber	Medium	26/02/2021	31/12/2022	95%
Customer Contact Centre - Service Improvement (Website)	Andrew Evans	Green	Medium	01/01/2022	31/01/2023	87%
L&R Case Management System implementation phase	Mark Harris	Red	LargeXOrg	01/09/2020	28/02/2023	75%
Pure Digital Solution	Darren Rees	Green	Large	27/07/2021	31/03/2023	54%
Renewal of Virtual Cabinet & Servers	Mark Harris	Green	Medium	01/09/2020	31/03/2023	55%
Medicine Value Unit	Alex Curley	Green	Medium	01/10/2022	31/03/2023	5%
CAF Remediation	Neil Jenkins	Green	Medium	03/05/2022	31/03/2023	25%
Low Vision Services Wales	Andrew Evans	Green	Medium	26/01/2023	31/03/2023	13%
Patient Medical Records and (Scanning) Service Accommodation Review	Scott Lavender	Red	Large	16/08/2021	31/08/2023	25%
Customer Contact Centre - Telephony and Contact Centre Solution	Andrew Evans	Green	LargeXOrg	01/06/2021	31/10/2023	97%
Data Management	Neil Jenkins	Amber	Large	04/04/2022	30/09/2024	54%

Key Individual Project/Programme Updates

Project Name	Project Manager	Project Exec/SRO
L&R Case Management System implementation phase	Jenna Goldsworthy	Mark Harris

Monthly Update (key/issues (blockages)/risks)

Status Red (Overall) Red (Time) Red (Cost) Red (Quality)

Recent Gateway Review? No

Objective

The Legal & Risk Service (L&RS) current case management system is outdated and requires upgrading in tandem with an integrated document storage solution that replaces our current Commercial Off The Shelf (COTS) solution. A Business Case for a replacement system submitted to and approved by Digital Priorities Investment Fund (DPIF), Welsh Government on 24 March 2021 for financial year 21/22.

Following a tender process, a supplier was awarded a contract to design, create and implement a case management system, document storage and sharing solution using Microsoft Dynamics 365. Because of the difficult and sensitive nature of some of the content of this document, the name of the supplier has been redacted.

The project has been set up to implement the new solution above.

Progress Update

L&RS have encountered difficulties with the provider and are currently taking steps to resolve these. The main points are set out in the following section. These are in highly summarised form to preserve confidence.

The supplier has begun negotiating with NWSSP to resolve the ongoing issues.

There is no direct impact on service delivery for our customers.

NWSSP Procurement have been made aware of the current situation and are working with the NWSSP Case Management System (CMS) Project team and the NWSSP L&RS commercial team.

As the supplier cannot deliver the agreed system, it has been agreed that this project will complete a change control to revert from delivery to prestart and will begin to review the marketplace for options.

As part of the contingency plans, it has been agreed that the O365 Design and build upgrade of the existing system will be managed within this project.

Main Issues, Risks & Blockers

Scope Issues

There is currently significant disagreement between NWSSP and the provider about the scope of the contract. Confidential negotiations are ongoing with a view to achieving a mutually acceptable resolution.

Supplier Hours Overspend

The supplier team have used an excessive number of hours above what was anticipated.

Supplier Delay

While working with the supplier's Management team to resolve the current open issues, it was agreed that all work from the supplier's perspective would pause from 7 July 2022 until all issues have been resolved.

Microsoft Dynamics (D365) Licenses

L&RS have purchased a 3-year contract for 150 Microsoft Dynamics (D365) Licenses and due to the current project position, these cannot be utilised this year. L&RS is currently looking at possible mitigations with meetings taking place but there are no firm changes in the position.

PMO Dashboard Report

Project Name	Project Manager	Project Exec/SRO		
Patient Medical Records and (Scanning) Service Accommodation Review	Kev Coulson	Scott Lavender		
Monthly Update (key/issues (blockages)/risks)				
Status	Red (Overall)	Red (Time)	Amber (Cost)	Red (Quality)
Recent Gateway Review?	No			
Objective				
The responsibility of the Medical Records Accommodation review Group is to find suitable additional accommodation for the Medical Records team and all stock currently residing in Brecon House				
Background				
The PCS team are undergoing an accommodation review of the Medical Records and stores and distribution teams driven by:				
Property lease expiry date:				
<ul style="list-style-type: none">Brecon House, Mamhilad Industrial Estate, Pontypool – Lease expires Mar-23Additional storage space is required to ensure business as usual can be maintained and to enable the expansion of the medical record service				
Current set-up of building means there will be a capacity issue impending, preventing growth of the Patient Medical Record storage programme, alongside a need for modernisation and aesthetic improvements to aid staff wellbeing, and bring the space in line with other space we currently occupy.				
Progress Update				
Awaiting response from Welsh Government to approve business case submitted in Jul-22 but on hold due to the issues noted below.				
Due to the current Reinforced Autoclaved Aerated Concrete (RAAC) failures in Brecon House the priority is to move all office staff, equipment and records within the warehouse space into an alternative building.				
A number of options have been explored with a preference to remain on the Mamhilad Estate due to the urgency of the situation, no other suitable accommodation available and operational efficiencies.				
An alternative building has been identified, Du Pont, with space and costs currently being considered.				
Main Issues, Risks & Blockers				
With the current RAAC issues there are measures in place for the warehouse space within Brecon House to be monitored regularly with any new or worsening areas of damage to be reported via Datix. The landlord, Johnseys, have appointed contractors to repair current damage and any new damage that may occur.				
As an interim measure, it has been agreed that the lease for Brecon House will be renewed to allow sufficient time for records and staff to be relocated but this will be undertaken on a short-term basis with a 3-monthbreak clause that can only be activated by PCS.				
As it is anticipated that Brecon House will reach capacity at the end of Mar-23, additional contingency warehouse space is required. Unit C2, part of the Du Pont building, initially leased until the end of March will be extended in tranches until new accommodation is available.				
Due to the delay in the response from Welsh Government and the need to re-visit the business case considering the issue identified above, the time status of the project is now red.				
If PCS cannot secure a new premise, this will have an impact on:				
<ul style="list-style-type: none">Existing services whereby should an existing GP practice expands its services, PCS may not be able to host the additional medical records.PCS will not be able to extend the medical record services to new or expanded GP practices.				
The extension to Unit C2 will mitigate the risks stated above.				

PMO Dashboard Report

Project Name	Project Manager	Project Exec/SRO		
Data Management	Alison Lewis	Neil Jenkins		
Monthly Update (key/issues (blockages)/risks)				
Status	Amber (Overall)	Amber (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	Yes			
<u>Objective</u>				
The main project objective is to create solutions that enable data driven service development and performance management and consistent views of PCS data which is accessible through streamlined channels.				
This will be achieved by the following project objectives in the discovery phase which will inform the next phases of the project.				
To catalogue: -				
<ul style="list-style-type: none">Existing delivery mechanisms and solutions.Current arrangements for the supply of regular reports.				
To review: -				
<ul style="list-style-type: none">Data request / response processes including Information Governance (IG) review processesExisting technical infrastructure				
To identify: -				
<ul style="list-style-type: none">Opportunities to streamline request / response processes including IG review processes.Duplication / inconsistency in the provision of regular reporting.Opportunities to drive Statistical Process Control and performance management using existing data sets.Opportunities to add value to data provision through the application of domain knowledge.Recurring themes in existing data provision and opportunities to consolidate information delivery around these themes.Stakeholder groups that have requirements beyond existing information provisionInconsistencies in existing data models.Potential “quick wins”				
<u>Progress Update</u>				
The Project Board approved the revised delivery approach in Nov-22 to set up a task and finish group/workstream to support the delivery of the next project phases with representative's who have the correct domain knowledge for each of the services.				
Project Board agreed on 16 November 2022 to pause the project.				
Project Board met on 07 February 2023 to review the current position and agree a way forward. It has been agreed to secure resource to fulfil Data Analyst and Business Information Manager posts to support this project but potentially also provide support to other areas in NWSSP, if required. Job descriptions have been drafted and have been submitted for approval on the 21 March 2023. Following approval, recruitment process will commence. Next review meeting scheduled for Apr-23.				
<u>Main Issues, Risks & Blockers</u>				
Project paused until additional specific resource can be sourced. Once resolved, project objectives and plan to be reviewed and updated as appropriate.				

Project Name	Project Manager	Project Exec/SRO		
Student Awards System Existing Stablisation and New System Spec	Bethan Rees	Darren Rees		
Monthly Update (key/issues (blockages)/risks)				
<u>Status</u>	Amber (Overall)	Green (Time)	Green (Cost)	Amber (Overall)
<u>Recent Gateway Review?</u>	No			
<u>Objective</u>				
<ul style="list-style-type: none">To provide contract continuity in a stable and secure IT environment for the contract extension period.To procure a single IT solution for Student Services to:<ul style="list-style-type: none">Deliver the highest quality Bursary & Streamlining Service capable of adapting to changing demand.Comply with standards.Enhance the student journey.Provide a single IT solution that is fit for the future.Comply with IT security & Welsh Government Cloud First Principles.				
<u>Progress Update</u>				
The Student Awards System (SAS) build phase has been successfully completed and extensive user acceptance testing has been carried out over the last six weeks. The solution is on target for 04 April 2023 go live, and is within budget. All key activities such as staff training have been arranged prior to go live. The impact the solution will have on the service is				

PMO Dashboard Report

becoming more evident, together with the improvements made to the student journey from increased automation and reduced application turnaround times.

The data migration of 357GB was successfully completed at the beginning of Feb-23. This was an extremely challenging task, due to the current hosting arrangements and co-ordination of stakeholders from Swansea Bay University Health Board, Cwm Taf Morgannwg University Health Board, the incumbent supplier Kainos, the new supplier, GP UK and NWSSP IT. A further data migration is planned for 21 March 2023 to migrate data generated from 09 February 2023 to 20 March 2023 which will conclude this activity.

The contractual issue with Kainos has been resolved and the additional cost negotiated down from £40k to £18k. NWSSP IT have agreed to manage the decommissioning of the Boss system which will reduce reliance on Kainos and help contain the project costs.

Alpha and Beta penetrations tests have taken place over the last two months. The Alpha test identified some issues which have now been resolved by the supplier and the Beta penetration test report identified some issues which need to be reconfigured before Go Live but at present do not risk the planned go live date.

The Release penetration test is scheduled for 03 April 2023 (due to availability of testers) therefore delaying the solution go live to 04 April 2023.

Phase two - Student Streamlining figma (Figma is a Design tool) design has been 89% approved. There are several areas that are in final discussion stage, and the transfer from the figma to build is currently underway.

Main Issues, Risks & Blockers

Risks

- If the new solution is not implemented by 01 April 2023, then there will be a high risk of disruption to Student Awards Service delivery.
- Risk to service of running software at risk or potential delay to go live due to release pen test being scheduled on 03 April 2023.

Issues

- The Welsh Language Team have experienced difficulty adapting to the agile software project development, resulting in considerable project management & supplier time being spent on managing the translation process. This issue has impacted upon project budget & time, due to additional coding work being carried out to aid the solution translation.

Project Name	Project Manager	Project Exec/SRO		
Workforce Reporting Intelligence System (Including Performers List)	Alison Lewis	Andrew Evans		
Monthly Update (key/issues (blockages)/risks)				
Status	Amber (Overall)	Amber (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	Yes			
Objective				
To implement a single integrated system for the Performers List and Wales National Workforce Reporting System (WNWRS).				
Progress Update				
Tenders were issued on 21 December 2022 with a closing date of the 02 February 2023. Bids are currently in the finale stage of evaluation. Once the awarded provider is confirmed, the business case will be updated and submitted for approval.				
Main Issues, Risks & Blockers				
Project is now running behind schedule due to the delays experienced with defining the specification, publishing and evaluating the tender. Due to the level of Governance approval required, it is now anticipated that the contract will not be awarded until Q2 2023.				
The current arrangements for Wales National Workforce Reporting System will be extended to Mar-24 with no impact on stakeholders. Status quo will be maintained for the Performers List noting that there could be a minimal impact to the Welsh General Ophthalmic Services reform work.				

Project Name	Project Manager	Project Exec/SRO		
Decarbonisation Programme	Paul Thomas	Neil Davies		
Monthly Update (key/issues (blockages)/risks)				
Status	Amber (Overall)	Amber (Time)	Amber (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
The NHS Wales Decarbonisation Strategic Delivery Plan, published in March 2021, sets out 46 initiatives and targets which will contribute to reducing our impact on the Global Health Emergency. The plan and progress against the plan will be reviewed in 2025 and 2030 alongside the overall carbon reduction targets for these periods (16% reduction by 2025 and 34% reduction by 2030). The Programme is structured into six main activity streams: Carbon Management, Buildings, Transport, Procurement, Estates Planning and Land Use and Approach to Healthcare, with NWSSP leading on a number of tasks.				
In line with these objectives, NWSSP outlined a local Decarbonisation Action Plan in March 2022, integrating all Wales duties and responsibilities as an NHS organisation.				
NWSSP have established a programme team to support the implementation and management of the Decarbonisation plans.				
Progress Update				
Welsh Government funding has been used for the recruitment of required resource to support the Decarbonisation Programme:				
<ul style="list-style-type: none">Decarbonisation Programme Lead position has successfully been interviewed. Due to start 20th March 2023Second Project Manager has been successfully appointed, due to start 20th March 2023Environment and Facilities Management Advisor in SES has been appointed and started in post.Principal Environmental Facilities Advisor and Decarbonisation subject matter expert post vacant – Following the recruitment process, An appointment could not be taken forward. This has been resolved through internal reconfiguration and support for additional external consultancy from the Director of NWSSP SES and the Managing Director. However, this has resulted in a vacant position that needs to be backfilled.				
19 of the 46 initiatives outlined in the NHS Wales Decarbonisation Strategic Delivery Plan 2021-2030 will be led by NWSSP. The Decarbonisation steering group will oversee the implementation and progress of these initiatives				
NWSSP led Task & Finish group to target completion of Initiative 17 (Electric Vehicle Charging Points Guidance has been established for Transport. Tender process and contract completed. Contract award is expected mid-March 2023.				
WG and NWSSP Communicated to the Community of Experts on the 7th March 2023 NWSSP’s dedicated role in the management, monitoring and reporting across NHS Wales for the Decarbonisation Programme.				
Main Issues, Risks & Blockers				
Risks:				
<ul style="list-style-type: none">If dedicated resource in NWSSP and Health Boards to monitor and support the delivery of these initiatives is not obtained then key actions will be not have a timely start, be delivered appropriately and the NHS will not succeed in making an impact in reducing carbon.Risk of NHS Wales Stakeholders lack of engagement towards reporting methods.If finance, for decarbonisation is not available to address initiatives with the biggest carbon savings as identified in the NHS Decarbonisation strategy, then emissions targets in 2025 and 2030 will not be achieved; behaviour change by staff and the patients will be delayed or not happen; and air quality and health related illnesses will not improve. Capital funding pressures are limiting available funds to support schemes.If by 2030 the NHS estate does not meet agreed targets, then there is a reputational risk for the NHS and Ministers.				
Issues:				
<ul style="list-style-type: none">Due to the delay in recruitment, the Programme has been delayed.Limited specialist resource available within NWSSP, NHS Wales more generally, and in the private sector (decarbonisation) consultancy market.				

PMO Dashboard Report

Project Name	Project Manager	Project Exec/SRO		
Laundry Transition	Ian Rose	Neil Davies		
Monthly Update (key/issues (blockages)/risks)				
Status	Amber (Overall)	Amber (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
As part of the laundry transformation programme, the transition project was initiated to devise an approach to transferring laundry budget for the three laundries in Llansamlet, Glan Clwyd and Greenvale. This was approved by the Committee and verified within the Health Boards in Mar-21 as part of transferring the laundry services for NHS Wales to NWSSP.				
Progress Update				
Three Laundries continue to operate on the agreed basis because of the transfer in Apr-21:				
<ul style="list-style-type: none">• Glan Clwyd – Complete.• Llansamlet – Complete.• Aneurin Bevan / Greenvale – ABUHB IT have agreed terms which are contained within the MOTO agreement. This has been circulated for approval within NWSSP IT, finance and the laundry service before final review and signature by A Butler in week commencing 13th March 2023 upon conclusion the MOTO will be issued back to the ABUHB team for signature.				
Main Issues, Risks & Blockers				
There are no major issues observed on the basis MOTO agreement not being signed as it is not legally binding document and service will remain uninterrupted and continuation of linen production will continue.				
Consideration should be given to accelerating the laundry IT service provision from ABUHB to DHCW to mitigate any potential IT service disruption which whilst being minimal and affecting a small number of users, it would not jeopardise linen production.				

Project Name	Project Manager	Project Exec/SRO		
TRAMS Programme		Neil Frow		
Monthly Update (key/issues (blockages)/risks)				
Status	Amber (Overall)	Amber (Time)	Amber (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
To create a leading Medicines Preparation Service, serving patients across Wales, in a way that is safe, high quality, equitable, sustainable and economically efficient.				
Progress Update				
<ul style="list-style-type: none">Discussions are ongoing with the owners of potential sites in South East Wales. Informal discussions with Welsh Government during Aug-22 have revealed a strong preference from Government for the investment to result in a tangible asset in public ownership. The Project Team are reviewing the site options to ensure that the proposals developed have due regard to this preference.A new option has come forward during Feb-23 which gives the potential to occupy and develop space within an existing building in South East Wales which already has brand new cleanroom facilities in place. The commercial aspects and affordability of this option is being actively explored. This option has the potential to offer substantial improvements in both time and cost compared to a new build, and could potentially recover the programme to "green" rating on both indicators.Provisional locality selections for South West and North regions have been made by representative scoring panels. The South West selection has been endorsed by Programme Board. The North selection is being reviewed, in the context of emergent changes to the clinical Nuclear Medicine service in BCUHB. The programme has opened an interface with BCUHB to remain sighted on this issue.Space has been secured for the TRAMS Quality Control Lab in IP5. Opportunities for early benefit realisation from this capacity are being assessed.The TRAMS Digital Project, to procure and deploy a workflow and stock management application, has started up. A Prioritised Requirements List and Conceptual Data Map have been produced. A New Service Request has been submitted to DHCW, and is being considered by DHCW Executives. The NWSSP Chief Digital Officer is sighted.Organisational Change Project 1 (OCP1) is in the implementation phase. 5 national roles have had staff identified through the consultation process, and 2 by advertisement and interview. Two posts originally included in the OCP1 consultation will now be rolled over into OCP2. It is planned to commence secondments of the selected staff into their new roles on a 20% basis from Apr-23. Care will be taken not to destabilise the front line service. The actual TUPE transfer will take place only when they move to NWSSP full time. Planning of OCP2 (for around 230 staff) is ongoing, working in				

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partnership with unions and Health Board and Trust workforce colleagues.

- Education and Training Project is successfully delivering new science-based qualifications to the service, in partnership with HEIW, with significant recurring funding for courses and posts being secured for a variety of roles.
- The Clinical Reference Group has been convened with the assistance of the NWSSP Medical Director and has now met twice, to ensure alignment with ePrescribing and clinical product and protocol standardisation initiatives. This group will meet quarterly.
- Finance Subgroup of Health Board and Trust representatives to work on detailed identification of the revenue budgets that support the existing services has begun work, meeting together in January 2023, and again in March 2023.
- Engagement with UK peer projects on standardising the product catalogue and commissioning product stability studies is ongoing. There is an emergent opportunity to support the revenue budget of the new service by making products from the agreed standard UK catalogue for sale outside Wales. Care will need to be taken to prioritise establishing our core Welsh Patient service first.

Main Issues, Risks & Blockers

- Confirming suitable sites that meet both the very demanding needs of the service, and the strategic context of the funding stakeholder.
- Ongoing cost inflation in the construction and scientific equipment markets. This is not necessarily TRAMS specific but a global market pressure that will act on all major capital projects.
- Current staffing pressures throughout the service threaten the ability of Health Boards and Trusts to release staff time to the extent needed to achieve the transformational change.
- Achieving Agreement by DHCW to support the required digital application for stock control and workflow management. If DHCW do not agree to support this service then it may place practical limits on the responsiveness of the service to urgent patient requests, generated in the ePrescribing systems.
- Based on current position, the programme remains **"Amber"**.

Project Name	Project Manager	Project Exec/SRO		
EPS Reimbursement claims	Jenna Goldsworthy	Andrew Evans		
Monthly Update (key/issues (blockages)/risks)				
Status	Amber (Overall)	Amber (Time)	Amber (Cost)	Amber (Overall)
Recent Gateway Review?	No			
<u>Objective</u>				
<p>Digital Health and Care Wales (DHCW) launched the Digital Medicines Transformation Portfolio to deliver a fully digital prescribing approach in all care settings in Wales. The portfolio brings together the programmes and projects to make the prescribing, dispensing and administration of medicines everywhere in Wales easier, safer, more efficient and effective, through digital. Primary Care Electronic Prescription Service (EPS) is a project focusing on implementing the electronic signing and transfer of prescriptions from GPs and non-medical prescribers to the community pharmacy or appliance dispense of a person's choice.</p> <p>In England, when community pharmacies dispense medicines, EPS-compliant pharmacy systems generate HL7 claims messages (method used to transfer and share data electronically between healthcare providers) which are routed via the NHS Spine to NHS Business Services Authority (NHSBSA) for reimbursement, and pharmacies also send paper prescriptions monthly to NHSBSA.</p> <p>As PCS is the reimbursement agency for NHS Wales, modifications will need to be made to both NHS Spine and NWSSP system to enable the HL7 message to be re-routed to NWSSP for the reimbursement to be processed. PCS have been tasked with providing technical proof of concept by 31 March 2023.</p>				
<u>Progress Update</u>				
Project Status Summary:				
Statement of Works Contract: Technical developer set up with access to all appropriate systems with Milestone 1 and 2 tasks completed. Work has been completed from Milestone 3 and 4.				
Additional development tasks identified to support integration with business processes. NWSSP are looking to utilise a new member of NWSSP PCS to undertake the development work required to sync the data from the Message Exchange for Social Care and Health (MESH), the main secure large file transfer service used across health and social care organisations, Mailbox through the current apps and rules engine used for Reimbursement.				
Electronic Transfer of Claims (ETC): It has been identified that additional NWSSP PCS resource is required during the implementation phase to manually process claims due to the loss of ETC. Three x Band 3 posts have been agreed by the DHCW Programme Board. Funding will be allocated in Financial Year 23/24. The formal funding documentation has been signed by NWSSP and DHCW.				
Recruitment for the roles is currently being worked through.				
Hardware: The servers have been installed; Two in Companies House, Cardiff and Two in Newport Data Centre. There is a planned move of the two servers in Companies House to Church Village on 13 March 2023. The servers in Church Village are covered by the NWSSP Service Level Agreement with DHCW.				

Work is underway to setup the failover rules and ensure business continuity and disaster recovery plans are in place.

Prescription and Dispensing Tokens: Prescription and dispensing tokens will need to be available for the Technical Proof of Concept (TPOC) as requested by DHCW. The specification has been sent to the prescription printing supplier for expected costs and timeframes. Supplier has been chased. Still awaiting a reply. A review of the Welsh Language Act 2018 requirements with regards to the token is also underway.

Golden Script: DHCW provided specification for golden script (the authorisation process for pharmacies to be set-up in EPS). PCS to review to understand the requirement and impact.

Assurance: Participation in working group and task and finish group to establish testing protocols is ongoing.

Programme: NWSSP Project Roles and responsibilities have been defined and shared with DHCW. Timeframes for each responsibility has not yet been confirmed. NWSSP Terms of Reference has been agreed by the NWSSP Project Board and has been shared with DHCW.

Main Issues, Risks & Blockers

Senior Supplier Role Change: The NWSSP Project Teams Senior Supplier will be leaving their role at the end of Jan-23. Due to the technical requirement of this project, there is a risk that this will impact the project teams capacity to deliver the project on time. It has been agreed that the senior supplier remains on the project until completion.

NWSSP Roles and Responsibilities for the project: The timeframe for DHCW to confirm roles and responsibilities have not yet been defined. There is a risk that the timeframe to complete tasks may be longer than expected. Meetings with all relevant parties are being held to define expected timeframes and understand any impact.

Test Software for System Assurance: Team Foundation Server (TFS) is no longer being used for testing. It has been agreed that spreadsheets will be used for testing.

EPS could impact other NWSSP Processes: There is a risk that EPS will impact business processes across NWSSP. A business impact assessment will be conducted to check this and understand the impact.

Lack of NWSSP Recourse: There is a risk that NWSSP do not have the resources available to complete the work required to complete the EPS project within the allocated time. The work required is being assessed by the project team to ensure all tasks can be accomplished within the required timeframe.

Technical Roof of Concept (TPOC): DHCW have delayed TPOC from Mar-23 to May-23 due to a delay in the Supplier's undertaking the development required for EPS to be implemented in Wales.

Project Name	Project Manager	Project Exec/SRO
Medical Examiner	Bethan Rees	Andrew Evans

Monthly Update (key/issues (blockages)/risks)

Status Green (Overall) Green (Time) Green (Cost) Green (Quality)

Recent Gateway Review? No

Objective

To create a Medical Examiner Service model for Wales that:

- - Is fit for purpose
 - Complies with standards set by the National Medical Examiner
 - Is sustainable and resilient
 - Represents value for money for NHS Wales
 - Meets the requirements of the Coroners & Justice Act 2009.
 - Provides independence

Progress Update

The implementation plan has been developed and approved by the Programme Board to meet full capacity of scrutiny of deaths from Apr-23. The plan includes recruitment of additional Medical Examiners & Medical Examiner Officers to meet the additional capacity required. The recruitment process is currently underway and new staff should be in place over the next few months.

Welsh Government have confirmed that the Department of Health & Social Care have agreed to fund the non-statutory & statutory service in Wales. This will provide assurance for the service whilst increasing capacity to meet the legal obligations.

Main Issues, Risks & Blockers

The main risk / issues are:

- 1) The inability to retain staff could jeopardise service continuity.
- 2) No issues and blockers have been observed.

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Project Name	Project Manager	Project Exec/SRO		
Demographic Transformation	Gill Bailey	Ceri Evans		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
The existing National Health Application and Infrastructure Services (NHAIS) system is a business-critical system used across NHS England and Wales to manage patients’ registrations for primary care, contractor payments including General Medical Services (GMS) practitioners and to deliver screening services. The existing NHAIS and Open Exeter non-core functionality will need to be replaced.				
Implementation of replacement functionality such as:				
<ul style="list-style-type: none">• Use of Welsh Demographic Service provided by Digital Health & Care Wales (DHCW) – complete• Implement replacement NHAIS local hardware hosting (legacy infrastructure) to ensure continuity of service up to and during transition - complete• Implementation of alternative data extract provided by DHCW• Implementation of in-house application known as 'Notify' that monitors the movement of medical records• Implementation of Primary Care Registration Management System (PCRM) provided by NHS Digital• De-commission NHAIS local boxes				
Progress Update				
PCRM: To note the transition to PCRM is dependent upon:				
<ul style="list-style-type: none">• Implementation of Cervical Screening Management System (CSMS) in England - anticipated to be launched on or near to 20 November 2023• Implementation of Breast Screening (Wales) managed by Public Health Wales - progress with NHSE to implement Breast Select for NHS Wales has come to a halt.				
On the basis that CSMS goes live from Nov-23 and a Breast Screening solution is in place for NHS Wales, PCRM roll out for England and Wales will commence from Dec-23/Jan-24. Wales is due to transition at the end of a 3-6 month roll out programme; between Mar-24 and Jul-24.				
Elaboration sessions run by NHSE to explain and understand the new system are scheduled to commence from Apr-23.				
Data retention: The recommendation to retain the existing data held in NHAIS for seven years following de-commissioning was approved by NWSSP, PCS, Senior Management Team on 22 September 2022. A meeting was held with DHCW colleagues on 25 October 2022 who raised some concerns on how this can be achieved. Following discussions with NHSE, a meeting with DHCW, NHSE and PCS has been set-up for the 15 March 2023 to review and agree a way forward.				
Notify: Contractor resource has been secured and commenced work on 07 March 2023 to finalise the development of Notify.				
Main Issues, Risks & Blockers				
With effect from 1st February, NHS Digital transitioned to NHS England (NHSE). Other organisations are due to transition to the new NHSE by 01 April 23. NHSE have identified two key risks to the de-commissioning programme:				
<ul style="list-style-type: none">• Impact to contractor arrangements as a result of the transition to NHSE (contractor arrangements in place for 2 years or more are being ended and new contracts are currently unable to be set up).• NHSE transformation seeks to reduce headcount by 30-40%.				
As the PCRM solution has been signed off by NHS England, NHS Wales will not be given the opportunity to support the testing/development of PCRM to a level to inform Standard Operating Procedures (SOP) prior to going live. To address this risk, PCS have requested existing Standard Operating Procedure information be shared.				
Whilst NHSE are confident CSMS will go live as indicated above, a contingency plan has been put in place to mitigate any delays to this date to ensure that the PCRM transition can go ahead as planned.				

Project Name	Project Manager	Project Exec/SRO		
Single Lead Employer Phase 3	Abigail Shackson	Ruth Alcolado		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Amber (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
Establish NWSSP as the Single Lead Employer (SLE) for all trainees within NHS Wales by adopting a phased implementation approach. Establish arrangements to manage all trainee rotations whilst employed by NWSSP under the SLE model in partnership with HEIW and the Host Education and training providers (Health Boards). To also review the current processes				

within the Single Lead Employer Project and highlight key areas of concern and improvement.

Progress Update

A number of tasks have been completed in the last period including:

- The review sprints have concluded with Stakeholders including SLE Team, British Medical Association, Payroll, Occupational Health and other key health board teams.
- The Single Lead Employer Task and Finish Group Sessions have been carried out.
- Betsi Cadwaladr University Health Board representatives have been clarified and two sessions have been undertaken to ensure the health board has been included in the whole process.

Single Lead Employer Project Review documents are being finalised.

Main Issues, Risks & Blockers

Discussion ongoing in relation to IT support and licencing arrangements for trainee Dentists as the management for this cohort varies from previous trainees. Discussions to date have included the NWSSP Chief Digital officer and HEIW representatives but the issue will be reviewed in the next period to confirm the mitigating action and timescales

Following a review of the work that is required for the process review, it is expected that the Feb-23 deadline will not be met. However, meetings with key stakeholders including SLE, HEIW and Payroll are taking place through the next 6 weeks to draw this to a conclusion.

To ensure recommendations are submitted to stakeholders with enough time for changes to be made, it has been agreed that the team will work with an agile approach and submit recommendations to stakeholders as and when they become available. The project plan is also being reviewed to see if any time can be saved and to prioritise areas for review.

Project Name	Project Manager	Project Exec/SRO		
Occupational Health Checks	Rhiann Cooke	Rebecca Jarvis		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
<u>Recent Gateway Review?</u>	No			
<u>Objective</u>				
NWSSP have the responsibility to contract and manage an Occupational Health system on behalf of NHS Wales. The system enables Health Boards and Trusts to manage their Occupational Health records. The existing contract is due to expire on 30 November 2023				
<ul style="list-style-type: none">• Development of product specification• Procurement of replacement web-based software solution• Implementation of procured software solution ensuring a seamless transition with full ongoing support.				
<u>Progress Update</u>				
Following on from a project implementation kick off meeting and further demonstration sessions for both clinical and administrative staff in Jan-23, the following actions have been undertaken during this period to ensure the implementation of OPAS-G2, the solution, by Civica:				
A series of task and finish groups have been established with representation from all NHS Wales Organisations to determine and agree all Wales processes, a standard operating procedure, standard correspondence and a review of dashboard reporting covering the following areas:				
<ul style="list-style-type: none">• Pre Placement - Complete 09 March 2023• Management Referral - In progress (started 09 March 2023)• Health Surveillance -13 March 2023• Vaccinations and Immunisations - To be confirmed				
Each group is chaired by a subject matter expert from within Occupational Health. The output from each of the groups has/will be shared with Civica for the configuration of the system. A pre-configuration session and 4 subsequent configuration sessions are scheduled to start on 30 March 2023.				

A system implementation plan from Civica has been shared with NHS Wales Organisations which includes the order in which organisations will be scheduled along with dates for training and user acceptance training. Details of the training requirements from each of the organisations is currently being collated.

A Data Privacy Impact Assessment (DPIA) and security agreement approval documents have been shared with Information Governance leads within each NHS Wales organisations and are scheduled to be returned by 10 March 2023.

Data migration from Cority to new supplier Civica will be facilitated by NWSSP via the NHS Wales Secure File Sharing Portal as a direct transfer is not possible for commercial and perceived Information Governance issues.

The small percentage increase of overall project completion is attributed to the number of additional implementation activities added to the plan.

Main Issues, Risks & Blockers

Additional costs have been applied by Civica due to the size of the current databases from organisations (over 50Gb each) and to allow for future storage growth. The total cost amounts to £4,300 which Health Boards and Trusts have agreed to pay. The amount has been split according to current storage. 6 of the 8 organisations require this.

An issue has been raised by some organisations regarding the training provision as it's different to what was available upon implementation of the previous system. Discussion is ongoing with Civica to explore what other training options available are available. It should be noted that the training offering was cited in the original tender documentation as part of the re-procurement process, of which all organisations were represented.

Project Name	Project Manager	Project Exec/SRO		
Pure Digital Solution	Bethan Rees	Darren Rees		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective	Procure and implement a solution to replace current manual payroll processes dealing with new starters, staff movement and leavers as well as timesheets used to capture additional hours and shift work.			
Progress Update	Employment Services are continuing to liaise with Centre of Excellence directly to provide a digital solution. Project Management support will resume, if required , following this discussion.			
	At this stage PMO support has been paused pending this decision by the division. In addition, the division has been advised to resubmit the PMO request form once the division is clear on the direction of travel and support, they require.			
Main Issues, Risks & Blockers	If Centre of Excellence are unable to provide a solution, there will be increased costs and a further time delay due to the tender process.			

Project Name	Project Manager		Project Exec/SRO	
Citizens Voice Body (CVB)			Hazel Robinson	
Monthly Update (key/issues (blockages)/risks)				
<u>Status</u>	Green (Overall)	None (Time)	None (Cost)	None (Quality)
<u>Recent Gateway Review?</u>	Yes			
<u>Objective</u>	Welsh Government sponsored programme to implement a new statutory body, Citizen's Voice Body for Health and Social Care. The project objective is to implement back office functions in preparation for Citizen Voice Body to become a legal entity.			
<u>Progress Update</u>	The scope of the PMO support has been changed to focus on the coordination and management of NWSSP tasks and activities to achieve the project objective by 01 April 2023. Project Manager allocated since early October. The operating name of CVB is Llais.			

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The activities involved cover the following service areas within NWSSP:

- Payroll
- Recruitment Services
- Pensions
- Expenses
- Workforce Information
- Finance (Including development of Financial Management System)

Ongoing activity includes:

- Coordination of Project Team and Task and Finish groups
- Continued update of Project Plan and other relevant project documentation
- Attendance and contribution at weekly CVB Implementation meeting, coordinated by Welsh Government

Work during this period has been focused on the build and testing of ESR (026 VPD) and Oracle to ensure that the systems are ready for use by 01 April 2023.

- Finance tasks have been completed on the Project Plan
- Workforce Information tasks are on track for completion on the Project Plan
- The ledger has been built by Central Team (cTes) and is currently in test cycle 2 and on track for completion
- Employment Services activities have commenced with the vast majority of actions in terms of Payroll, Expenses and Recruitment taking place in the next 2 weeks - this is reflected in the overall percentage completion of the project
- Volunteers for CHC's were unable to transition to Llais under the TUPE agreement. Work is ongoing to recruit volunteers to Llais. It has been agreed that volunteers will be paid any expenses via Accounts Payable rather than through the expenses system from 01 April 2023. This will be subject to review as and when the number of volunteers increase.
- Queries raised around the ability to access ESR and Oracle (due to a dependency on activities within the Programme Digital Workstream) have been resolved. Testing has been completed with DHCW to ensure that staff are able to access the system regardless of the hardware that they use.

Main Issues, Risks & Blockers

None.

Project Name	Project Manager	Project Exec/SRO		
GS1 Coding Locations	Bethan Clift	Andy Smallwood		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Amber (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
To support organisations and trusts across NHS Wales, to adopt GS1 standards. Facilitating the upload of physical and specific Global Location Numbers (GLNs) to all physical locations within their respective estates management systems. Consequently, allowing identification of a location uniquely and unambiguously, in addition to any pre-existing identifier.				
Progress Update				
Following the February All Wales GLN project team meeting, a position paper has been drafted for the project board. The paper underlines two issues that have been raised by the nominated estates leads:				
<ul style="list-style-type: none">While phase one of the project is complete for most Health Boards, progressing to phase two has become more difficult. The limited Health Board Estates resource to support the implementation is now impacting timescales, therefore affecting the previously agreed implementation timescalesAll Health Boards and the project team have received the mandate from Welsh Government to implement the requirement, although, the meeting held in February highlighted that there is no direction or approval from board level to undertake the project. Consequently, the leads have advised they require a directive from their Executive team.				
The position paper highlights recommendations to progress the project.				
Main Issues, Risks & Blockers				
As there is a lack of Health Board resource available to support the implementation and ongoing sustainability of maintaining the project there is now an issue with the project timescales. The project time status has been changed to amber to reflect the current issues.				

Project Name	Project Manager	Project Exec/SRO		
Renewal of Virtual Cabinet & Servers	Daniel Sinderby	Mark Harris		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?				
Objective				
As the current case management system project has stalled (as at Jul-22), Legal & Risk Services and Welsh Risk Pool need to maintain the document storage solution (Virtual Cabinet) and the case management system to ensure business as usual operations can continue.				
A secondary project has been established to:				
<ul style="list-style-type: none">Implement an extension of the Virtual Cabinet System;Explore the options for the case management extension upgrade;Confirm how WAST can access their files post 31 March 2023 when their Datix access is revoked; andConfirm the infrastructure for the Virtual Cabinet System to sit on as the warranty on the current server is due to expire Feb-23.				
Progress Update				
Virtual Cabinet (VC) have implemented a new release, therefore another upgrade will be required to the current system.				
The L&RS database was hosted on the same server as VC which impacted performance as there was insufficient capacity to run both. The database has been moved to an alternative server and linked back up to VC with an improvement on each others performance levels.				
Welsh Ambulance Service NHS Trust (WAST) now have access to VC and issues, in the main, have been resolved - see update below. Due to the change in how WAST access the information, a Data Privacy Impact Assessment is in the process of being completed.				
Main Issues, Risks & Blockers				
Server Warranty				
The Hyper-V Server that Virtual cabinet sits on has warranty until July-23. Work is ongoing to see if this warranty can be extended to Feb-24. The supplier has provided a quotation for the warranty extension which is currently being processed by the IT team. The costs are to be paid for in the next financial year (23/24).				
WAST Access				
Due to the delays with the CMS System, and as WAST access to Datix will expire on 31-Mar-23, it has been agreed that WAST will need access Virtual Cabinet post 31 March 2023. There is currently an issue with the WAST Team not being able to access VC on their work laptops. DHCW are working with WAST to resolve this. Some of the WAST Team now have access to the data, however, there are still some WAST Employees without access. Work is ongoing to ensure all WAST Members have access.				
Cyber Essentials Plus certification				
An issue was raised when procurement colleagues processed the extension for VC. It was identified that VC would need to have Cyber Security documentation including ISO27001 and Cyber Essentials Plus, the latter they did not possess. Following discussions with NWSSP Cyber Security team, it was confirmed that as this is an extension to the contract, the original terms of engagement with the supplier will apply and therefore Cyber Essentials Plus is not required.				

Project Name	Project Manager	Project Exec/SRO		
Customer Contact Centre - Service Improvement (Website)	Rhiann Cooke	Andrew Evans		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
Review and improve how our customers interact with NWSSP.				
Progress Update				
Information covering the following areas is live on the NWSSP website:				
<ul style="list-style-type: none">Employing People (Recruitment activities)PayrollCar Scheme (Lease Cars)Information RightsESR				

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- Receiving NHS Funding for your Studies (Student Awards)
- Pensions
- Digital Learning
- Find Information on Payment for Goods and Services Purchased by NHS Wales (Accounts Payable)
- Information Rights (Information Governance)
- Welsh Infected Blood Support Services
- Audit and Assurance Services
- Surgical Materials Testing Laboratory (SMTL)
- Supporting the NHS Estate
- Counter Fraud
- Expenses

The section on Primary Care Services has been added to the website. Pensions information is currently being updated by the service due to recent changes. Some additional text has also been highlighted by the Surgical Testing Laboratory (SMTL) team which will be added to the website week commencing 3 March 2023.

There is one outstanding area for inclusion for the Medical Examiner Service which is due for completion week commencing 13 March 2023 after which the project can be formally closed.

Main Issues, Risks & Blockers

None.

Project Name	Project Manager	Project Exec/SRO		
Customer Contact Centre - Telephony and Contact Centre Solution	Bethan Clift	Andrew Evans		
Monthly Update (key/issues (blockages)/risks)				
<u>Status</u>	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
<u>Recent Gateway Review?</u>	No			
<u>Objective</u>	Review and improve how our customers interact with NWSSP.			
<u>Progress Update</u>	The new telephony and contact centre contract has been awarded to the supplier 8x8. The solution will be implemented sequentially starting with DHCW, then Hywel Dda University Health Board and then NWSSP around 1st June 2023. Due to the timescales the project team are extending the current Maintel system for 12 months to allow for the new solution to be implemented. Work is ongoing to review the Interactive Voice Response (IVR) menus, which will allow NWSSP to handover the IVR routes to the new supplier to set up and test prior to the system going live.			
<u>Main Issues, Risks & Blockers</u>	None			

Project Name	Project Manager	Project Exec/SRO		
Medicine Value Unit	Peter Elliott	Alex Curley		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective	To establish the Medicines Value Unit as a service hosted within NWSSP, creating innovative contracts for medicines supply incorporating value based payments. <ul style="list-style-type: none">Dedicated procurement resource within Procurement ServicesSupporting Pharmacy resource hosted within NWSSP Open a pipeline of work including input from clinical services within Health Boards and Trusts			
Progress Update	Project Board continues to meet monthly to review and control the project. The Associate Director role has now been filled, and good progress is being made to recruit the other funded resources within the team. Reporting lines have now been agreed between the NWSSP Directorates involved and these are correctly reflected in the Job Descriptions.			

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The project is reaching out to clinical commissioning bodies within Wales to seek to establish a pipeline of work proposals for the new service, with mutual Project Board memberships of key personnel.

One key dependency that has been identified is the roll out within the Health boards and Trusts of the BlueTeq software to monitor patient outcomes. Being able to track these outcomes is a key aspect of the innovative contracting methods which the new service will utilise to procure medicine. It is expected that a Welsh Health Circular mandating the use of BlueTeq will soon be issued.

NWSSP Finance are being kept sighted on spend out-turns, which will be under budget in the current year. With key resources now starting to be appointed, it is likely that the budget will be more fully utilised next financial year.

Main Issues, Risks & Blockers

- Until work proposals start to be generated from the clinical service, the specialist procurement resource will not be able to begin work on contracting. Opening this pipeline of work is a key priority.
- Payments for medicine in these contracts will be based on clinical outcomes achieved. Adoption of the BlueTeq software by the Health Boards and Trusts to record patient outcomes is a key dependency to enable this form of contracting. Until the Welsh Health Circular is issued, use of this software will not be mandated. Care will still need to be taken that the reporting requirements of the contracts do not increase the administrative burden on the clinical service.

Project Name	Project Manager	Project Exec/SRO
CAF Remediation	Peter Elliott	Neil Jenkins

Monthly Update (key/issues (blockages)/risks)

Status **Green** (Overall) **Green** (Time) **Green** (Cost) **Green** (Quality)

Recent Gateway Review? No

Objective

To provide remediations to vulnerabilities identified by the organisational Cyber Assessment Framework (CAF), with a particular focus on those risks rated red in the report.

Progress Update

The Project Board has been established and is meeting monthly.

Actions accomplished include:

- Creating NWSSP level workflows for Senior Leadership Group (SLG) and senior manager use during Incident Response and Disaster Recovery
- Updating the register of System Owners and ensuring that all system owners understand their role
- DHCW have agreed to support the inclusion of the majority of NWSSP digital assets on their WASP asset management system

Work currently ongoing includes

- Updating the NWSSP Portfolio Management Approach to improve the way we specify and procure digital systems
- Reviewing the options for a Network Monitoring System. If a national system is agreed across NHS Wales it is likely that this will meet the NWSSP need.
- Devising a methodology for Business Impact Assessments associated with the Service Catalogue. This will allow Service Continuity and Disaster Recovery actions to be prioritised in the event of major incidents.

Many of the issues identified by the CAF are being remediated at a national level

We continue to align our work with the national actions, to ensure a "Once for Wales" approach is followed.

Main Issues, Risks & Blockers

- Risks of not mitigating our vulnerabilities are
 - Fines as a % of turnover due to loss of data through hacking which will have financial consequences.
 - Reputational Damage to failure of service from being locked out of our IT systems by ransomware
- Availability of skilled resource to implement the various actions is under ongoing review. In particular skilled staff time will be needed to:
 - Manage the Service Catalogue and Business Impact Assessments on an ongoing basis
 - Support Asset Management
 - Contribute to Digital Architecture reviews associated with the procurement of systems
 - Carry out Assurance Reviews on prospective suppliers
- We have around 200 software applications in NWSSP. Assuming a 5-year lifecycle this means we should be replacing around 40 applications per year, nearly 1 per week. The collective resources in certain areas such as Cyber, Procurement, Information Governance, PMO and the in-life support services to manage these changes effectively may not currently be in place and need to be monitored closely, however recruitment of key roles is in progress to mitigate areas such as Cyber and PMO.

PMO Dashboard Report

Project Name	Project Manager	Project Exec/SRO		
Expansion of Legal Services to Primary Care	Gill Bailey	Daniela Mahapatra		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
<u>Objective</u>				
Design and implement a new legal service providing commercial, and employment law advice to GP Practices within NHS Wales.				
<u>Progress Update</u>				
In November 2019, the Solicitors Regulation Authority (SRA) introduced the Standards and Regulations (STARS) which has afforded Legal & Risk Services the opportunity to consider expanding the services they provide to primary care providers e.g. General Practices. This aligns to the Welsh Government Primary Care sustainability agenda by extending support to GPs for these services. This project will also complement the support already being provided by NWSSP for primary care.				
A survey was issued in September 2022 to GP Practices within NHS Wales to gather information to understand how the GP Primary Care sector in Wales could benefit from a new service provided by NWSSP, Legal & Risk Services.				
To progress the development and implementation of a new service, a PMO request for Project Manager support was received on 18th January with Project Manager subsequently allocated.				
Project is in start-up stage with Governance and project group established. Terms of Reference and project brief completed.				
From the survey results, the project group is undertaking market research to identify the services provided by other 3rd party providers. An engagement event with GP practices is scheduled to take place during April to identify what legal services practices require. This will help to inform a business case to confirm that the proposal to create a new service is viable.				
<u>Main Issues, Risks & Blockers</u>				
Main risk identified:				
Limited appetite from GP Practices to utilise new service could result in reputational damage to NWSSP and waste of investment in resource and time. Market research and stakeholder engagement will mitigate this risk.				

Project Name	Project Manager	Project Exec/SRO		
Low Vision Services Wales	Daniel Sinderby	Andrew Evans		
Monthly Update (key/issues (blockages)/risks)				
<u>Status</u>	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
<u>Recent Gateway Review?</u>				
<u>Objective</u>				
Welsh Government have requested the transfer of Low Vision Services and staff from Hywel Dda University Health to NWSSP with effect from 01 April 2023 to support NHS Wales General Ophthalmic Services (WGOS) reform.				
<u>Progress Update</u>				
PMO received request for Project Manager support on 26 January 2023 with Project Manager allocated immediately to support this initiative due to the short timeframe for delivery.				
Project Board and project team established along with governance arrangements. Project Initiation Document (PID) and initial project plan created.				
Following concerns raised during the consultation process, Project Board and Hywel Dda met with Welsh Government colleagues to discuss the issues. An output of the discussions is to revise the transition end date from 01 April 2023 to 01 June 2023.				
Currently waiting for the consultation documentation sign-off and due diligence documentation to be completed in order to proceed with the rest of the identified tasks.				
<u>Main Issues, Risks & Blockers</u>				
<u>Consultation Documentation</u>				
There have been delays with the completion of the consultation process and sign off of the documentation that contains the information required to proceed with identified tasks.				

NON PMO Managed Initiatives

Project Name	Project Manager	Project Exec/SRO		
All Wales Laundry Transformation		Neil Davies		
Monthly Update (key/issues (blockages)/risks)				
Status	Red (Overall)	Amber (Time)	Red (Cost)	Amber (Overall)
Recent Gateway Review?	Yes			
Objective				
The objective of the programme is to develop an all Wales Laundry Service which will managed by Shared Services (NWSSP) that complies with BS EN 14065:216 standard.				
Details of the programme scope are as follows:-				
<ul style="list-style-type: none">• Provide three new laundry production facilities for all Wales Laundry Service consisting of two new builds (North & South West) & one refurbished laundry on existing facility (Greenvale).• Design & construct two new build sites within a 5 mile radius of:<ul style="list-style-type: none">◦ Ysybty Glan Clwyd Laundry Services – Betsi Cadwaladr University Health board.◦ Llansamlet Laundry Service – Swansea Bay University Health Board.• Refurbish existing laundry facility at South East Wales.<ul style="list-style-type: none">◦ Llanfrechfa Grange ‘Green Vale’ Laundry Service – Aneurin Bevan University Health Board.• Decommission existing four laundry facilities when new laundry service facilities are commissioned.<ul style="list-style-type: none">◦ Ysbyty Glan Clwyd Services – Betsi Cadwaladr University Health Board◦ Glangwilli General Hospital Laundry Service – Hywel Dda University Health Board◦ Llansamlet Laundry Service – Abertawe Bro Morgannwg University Health Board◦ Church Village (old East Glamorgan Hospital) Laundry Service – Cwm Taf University Health Board◦ Llanfrechfa Grange ‘Green Vale’ Laundry Service – Aneurin Bevan University Health Board.				
Progress Update				
<ul style="list-style-type: none">• Outline Business Cases have been finalised and approved by:<ul style="list-style-type: none">◦ AWL Programme Board - 22/06/22◦ NWSSP Senior Leadership Team - 30/06/22◦ SSPC - 21/07/22• Formal scrutiny of the Business Cases has been completed and we are awaiting Welsh Government sign off.• Refurbishment BJC1 has been submitted to Welsh Government for information.• An updated Programme Business Case report has been submitted to Welsh Government.• Site security still ongoing & agreeing option & development agreements with Legal / Site Owners.				
Main Issues, Risks & Blockers				
Risks				
<ul style="list-style-type: none">• Risk of AWL Programme receiving no sign off of Business Cases could leave NWSSP with Laundries that do not comply to standards.• Risk of no Laundry supply due to aged plant & equipment breaking down causing disruption to supply of safe laundry.				

Project Name	Project Manager	Project Exec/SRO
Once for Wales Concerns Management System	Maria Stolzenberg , Judith Lewis	Jonathan Webb
Monthly Update (key/issues (blockages)/risks)		
Status	Green (Overall)	
Recent Gateway Review?	No	
Objective		
Using a collaborative approach with all partners, implement, enhance and sustain an effective tool to support Health Bodies to comply with their duties in relation to concerns management and service user experience. To improve consistency and quality of concerns data throughout NHS Wales to facilitate service improvement.		
Progress Update		
Phase 1 of the programme is fully rolled out across all Organisations. Two products, Datix Cymru and Civica Experience Wales have been procured and established. Over 30 workstreams involving collaboration between Health Bodies have been established, with some stood down when their tasks have been completed. A robust and effective governance structure, with a		

PMO Dashboard Report

Chief Executive as SRO, has been put into place. A quarterly cycle for system update releases has been put into place. All Wales IG solutions including a DPIA for each functionality have been established.

Compliance with the duty of candour has been built into the system workflows. Interim solutions following the discontinuation of NRLS have been established. Phase 2 objectives are set for delivery by 31/03/23 with some risks regarding some aspects of functionality.

Phase 3 objectives are being finalised for ratification by the Programme Board for delivery by 31/03/24.

Main Issues, Risks & Blockers

A risk and issues log is maintained by the Programme Board.

Operational pressures across the NHS may impact the availability of key stakeholders. Demands on Organisations is reduced as far as possible.

Some functionality may not be delivered on time by the supplier. Strategic reviews and alternative solutions are sought where possible.

There is a need to migrate to Azure for user authentication, which is currently not possible. The supplier is designing a solution to migrate users and DHCW is addressing authentication errors, which occurred previously.

Integration of Civica with local data systems is delayed in some Organisations. Standard functionality remains available.

Project Name	Project Manager	Project Exec/SRO		
ESR Transformation Programme		Gareth Hardacre		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective				
Lead on the development and implementation of the Electronic Staff Record (ESR) Transformation Programme for Wales				
Progress Update				
Work with and support the NHS Business Services Authority (NHSBSA) with the transformation programme. NHSBSA Governance programme has commenced with two meetings of the People Digital Advisory & Leadership Group; consisting of key leads from NHS England and Wales. The selection questionnaire process as part of the procurement has been completed mid-December. Awaiting outcome to then take to next stage which is invitation to submit initial tender. A proof of concept as part of the procurement exercise is currently being developed by the NHSBSA where suppliers will be tasked with demonstrating their software and business concepts to meet the draft technical specification. New branding and Identity to support the ESR Transformation has been agreed - the new solution will be known as the 'People Portal' which will be communicated across Wales in early 2023 The NHSBSA have appointed a Transformation and Engagement Lead for Wales. The successful candidate has significant NHS and culture change experience and will work with the Digital Workforce team and NHSBSA Functional Advisor to assess the current level of maturity, organisational optimisation and readiness via annual assessments and implementation plan. Annual ESR Assessments will take place between January and March 2023 as a baseline for organisational readiness and optimisation. A Wales People Portal Steering Group is currently being established to drive the optimisation work programme, key stakeholders from workforce, digital and finance along with Welsh Government colleagues will need to be engaged.				
Main Issues, Risks & Blockers				
Significant culture and process change Consideration to existing processes including payroll to ensure no disruption to service No dedicated resource to deliver the ESR Transformation programme within NWSSP or local organisations however this will be monitored via the risk register. Until we have an indication of suppliers / transition requirements, we are unable to quantify the resource requirements org readiness/proof of concept/migration 2024/2025				

Project Name	Project Manager	Project Exec/SRO		
Scan 4 Safety	Andrew Smallwood	Andy Smallwood		
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Amber (Time)	Green (Cost)	Green (Quality)
Recent Gateway Review?	No			
Objective	The Scan for Safety Wales Programme seeks to embed traceability into the NHS in Wales in order to improve patient safety. The combination of an All Wales inventory management system, underpinned by GS1 standards adoption will allow the data linkage of products, patients, locations, procedures and clinicians. The Inventory Management System will provide instant stock			

visibility, strengthening supply resilience and allow for products to be withdrawn from use swiftly should a Safety Alert be received. The same data linkage will allow Health Organisations across Wales identify patients who may need recalling for review.

Progress Update

Initial Programme delays due to central server implementation and cyber resilience measures have all been addressed now and system testing with Health Boards has been completed. Two issues were identified in local testing that did not present in the central test environment, (CAVUHB and HDUHB) both have been addressed by the recent Oracle patch release. The team continue the roll-out of the Inventory Management System within Health Boards with pre-existing servers and is currently ahead of target. The past quarter has seen new implementations at Cwm Taf Morgannwg and Hywel Dda go live.

Status reset from Amber to Green as now delivering in line with revised timescales as agreed with NWSSPC and DoFs forum.

Main Issues, Risks & Blockers

Local Patient System interfacing is proving more of a challenge than anticipated. However, work with DHCW on linking a feed from the Master Patient Index to Omnicell will greatly improve tracing of products to patients. This is in addition to interfacing work ongoing with each Health Organisation to ensure that the scanned product data flows back into patient records.

The Theatre environment in all health organisations is highly pressured at present with staff sickness compounding pre-existing staff shortages in the face of COVID recovery activity. This is being worked around with each organisation based on local pressures. However, three implementations have been paused until January due to the additional potential impact of industrial action.

Project Name	Project Manager		Project Exec/SRO	
Health Roster Implementation			Rebecca Jarvis	
Monthly Update (key/issues (blockages)/risks)				
Status	Green (Overall)	Green (Time)	Green (Cost)	Green (Quality)
<u>Recent Gateway Review?</u>	No			
<u>Objective</u>				
<u>Progress Update</u>				
<u>Project Plan updates:</u>				
<ul style="list-style-type: none">Denbigh Stores have had their refresher training, and meetings have been conducted for updated shift patterns. Awaiting this data prior to utilising the rosterData from HCS Wrexham, BCU Laundry Transport, HCS Victor Base, HCS Manager North, and HCS Tywyn has been gathered. Training will commence shortlyBridgend Stores and IP5 were on hold due to internal demands, however, we have meet with management to initiate the rostering programmeBank Staff – Most units that use Bank Workers are now utilising Bank Staff to pay their workers, eliminating Timesheets being sent to the Bank Office. Work will continue to transfer the remaining Bank Workers				
Roster Policy:				
Following approval of the Roster Policy by Local Partnership Forum (LPFP) in January 2023, the policy has now been translated into Welsh and is available on the intranet for Managers and Employees to view.				
Next Steps:				
Health Roster:				
<ul style="list-style-type: none">Training: HCS Swansea Bay, SBU laundry transport, HCS Powys, HCS Hywel Dda and IP5Finalise data gathering: Bridgend Central Stores, HCS Wrexham, BCU Laundry Transport, HCS Victor Base, HCS Manager North and HCS TywynFinalise training for Denbigh Stores in readiness for the first payroll submissions in Apr-23Continue consultation with outstanding areasDiscussions with Unit Heads of future units to agree timescales in line with the plan				
Public Health Wales project:				
<ul style="list-style-type: none">ESRCo, an additional piece of software/module of ESR that automates and speeds up the transfer between ESR and Health Roster, is now activated for PHW. The first Kick Off meeting has been held with RL Datix and their implementation team to confirm the parameters to use in the build of the systemProject Team is gathering intelligence on areas with enthusiasm to implement complex rotasMajority of Data Privacy Impact Assessment (DPIA) has been completed. Final discussions between Information Governance and RL Datix Programme Manager to be held before sign-off by Project BoardOngoing updates to the communication and implementations plansAll project team and project board meetings set-up for the next 6 months				
<u>Main Issues, Risks & Blockers</u>				
Data gathering and training for HCS Swansea Bay, SBU Landry Transport, HCS Powys & HCS Hywel Dda was completed during Dec-22, however due to Christmas and the loss of a Roster team member, these units were delayed going live. Meetings have				

been held to establish updated shift patterns and further ones booked to gain traction in utilising the roster. No impact to customers.

Medical Examiners are on hold indefinitely. HCS Aneurin Bevan & ABU Laundry Transport are on hold due to a re-structure.



GIG
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Shared Services
Partnership

AGENDA ITEM: 6.6

23 March 2023

The report is not Exempt

Teitl yr Adroddiad/Title of Report

NWSSP Corporate Risk Update – March 2023

ARWEINYDD: LEAD:	Peter Stephenson Head of Finance & Business Development
AWDUR: AUTHOR:	Peter Stephenson Head of Finance & Business Development
SWYDDOG ADRODD: REPORTING OFFICER:	Andy Butler Director of Finance & Corporate Services
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**Pwrpas yr Adroddiad:
Purpose of the Report:**

To provide the Partnership Committee with an update on the NHS Wales Shared Services Partnership's (NWSSP) Corporate Risk Register.

Llywodraethu/Governance

Amcanion: Objectives:	Excellence – to develop an organisation that delivers a process excellence through a focus on continuous service improvement
Tystiolaeth: Supporting evidence:	-

Ymgynghoriad/Consultation:

The Senior Leadership Group (SLG) reviews the Corporate Risk Register on a monthly basis. Individual Directorates hold their own Risk Registers, which are reviewed at local directorate and quarterly review meetings.

Adduned y Pwyllgor/Committee Resolution (insert ✓):

DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS		NODI/ NOTE	✓
Argymhelliad/ Recommendation		The Committee is asked to NOTE the report.					

Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:	
Cydraddoldeb ac amrywiaeth: Equality and diversity:	No direct impact
Cyfreithiol: Legal:	Not applicable
Iechyd Poblogaeth: Population Health:	No impact
Ansawdd, Diogelwch a Profiad y Claf: Quality, Safety & Patient Experience:	This report provides assurance to the Committee that NWSSP has robust risk management processes in place.
Ariannol: Financial:	Not applicable
Risg a Aswiriant: Risk and Assurance:	This report provides assurance to the Committee that NWSSP has robust risk management processes in place.
Safonau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://www.wales.nhs.uk/sitesplus/documents/1064/24729_Health%20Standards%20Framework_2015_E1.pdf Standard 1.1 Health Promotion, Protection and Improvement
Gweithlu: Workforce:	No impact
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open. The information is disclosable under the Freedom of Information Act 2000.

NWSSP CORPORATE RISK REGISTER UPDATE March 2023

1. INTRODUCTION

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

2. RISKS FOR ACTION

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

Current Risk Rating	March 2023
Red Risk	7
Amber Risk	9
Yellow Risk	2
Green Risk	0
Total	18

2.1 Red-rated Risks

The following red risks remain on the register:

- The inflationary consequences of the situation in Ukraine and the resultant impact on energy prices is being mitigated through the role of the Energy Price Group, but energy prices remain very volatile.
- The role that NWSSP plays as the lead energy purchaser for the whole of NHS Wales, and the reputational risk that is associated with that role.
- The risk of the impact of potential industrial action. While the strikes currently called by the RCN are not likely to have a significant impact on NWSSP, the likely industrial action from other Trade Unions may have a greater impact.
- The risk of having insufficient staff resource to meet demand. NWSSP have a lot of staff on bank contracts who help to deliver essential services but for whom we are unable to guarantee security of employment due to Welsh Government not confirming whether these posts will be funded into 2023/24.
- The contractual dispute affecting the replacement for the Legal & Risk Case Management system. While there are contingency arrangements in place to maintain services, the potential financial loss could be significant.
- The Laundry Transformation Programme which now needs to be significantly reshaped due to there being insufficient capital monies available to fund it; and

- The Brecon House roof at Mamhilad where there are serious issues with water ingress and falling masonry, making the building unsafe for staff.

2.2 New/Deleted Risks

No other risks have been added or removed from the Corporate Risk Register since the last meeting of the SSPC.

3. RISKS FOR MONITORING

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

Current Risk Rating	March 2023
Red Risk	0
Amber Risk	0
Yellow Risk	2
Green Risk	6
Total	8

4. RECOMMENDATION

The Committee is asked to:


- **NOTE** to the Corporate Risk Register as at March 2023.

Corporate Risk Register

Ref	Risk Summary	Inherent Risk			Existing Controls & Mitigations	Current Risk			Further Action Required	Progress	Trend since last review	Target & Date
		Likelihood	Impact	Total Score		Likelihood	impact	Total Score				
Risks for Action												
A1	Lack of storage space across NWSSP due to increased demands on space linked to COVID and specific requirements for IP5 (added April 2021)	4	4	16	IP5 Board Additional facilities secured at Picketston	2	4	8	Consider alternative accommodation options offered by Johnseys on the Mamhilad site (AE - 31 March 2023)	Business Case approved at June SLG and July SSPC. Currently with Welsh Government for final approval. There is now also a problem with Brecon House that may impact on current capacity.	➡	31-Aug-23
	Strategic Objective - Service Development									Risk Lead: Programme Director		
A2	Suppliers, Staff or the general public committing fraud against NWSSP. (added April 2019)	5	3	15	Dedicated NWSSP LCFS Counter Fraud Service Internal Audit WAO PPV National Fraud Initiative Counter Fraud Steering Group Policies & Procedures Fraud Awareness Training Fighting Fraud Strategy & Action Plan	3	3	9	Produce review of 1st year activity for NWSSP LCFS (PS/MW 30 June 2023)	C&V have recruited an additional Band 6 LCFS and an 8A. Dedicated LCFS commenced in post for NWSSP with effect from 6/6/22. Fraud Awareness session held on 16/11/2022.	➡	30-Jun-23
	Strategic Objective - Value For Money									Risk Lead: Director of Finance & Corporate Services		
A3	Risk of cyber attack exacerbated if NWSSP, or other NHS Wales organisations, run unsupported versions of software. (added Apr 2019)	5	5	25	Cyber Security Action Plan BCP Champions Meeting Information Governance training Mandatory cyber security e-learn Internal Audit review BCP Action Cards CAF completed and report received from CRU CAF remediation project established with support from PMO. 'Exercise in a box' launch event held with SLG (face to face) on 12 May. Phishing testing has been running since February 2022 alongside proactive communications on cyber awareness. Part of All-Wales Cyber Security Network	2	5	10	Present update to SLG on CAF (AR 30 April 2023)	Heightened state of alert due to war in Ukraine and targeted attacks on public sector bodies.	➡	31-Mar-24
	Strategic Objective - Service Development									Risk Lead: Director of Planning, Performance & Informatics		
A4	The demand on services within Employment Services as a result of Health Boards taking on substantial numbers of staff to respond to and recover from the pandemic, is unsustainable, leading to sub-optimal levels of performance. (added November 2021)	4	4	16	Established working practices governed by Service Level Agreements and measured by reporting of KPIs on monthly basis.	3	4	12	Extend Modernisation Programme to all Health Boards and Trusts (GH 30 June 2023)	Good progress being made with the early adopters of the Recruitment Modernisation Programme. New systems in place within Student Awards and recent internal audit review awarded substantial assurance.	➡	30-Jun-23
	Strategic Objective - Customers									Risk Lead: Director of People and OD		
A5	The level of stock that we are being asked to hold is likely to mean that some items go out-of-date before being issued for use and need to be written off causing a loss to public funds and possible reputational damage to NWSSP. (added January 2022)	5	5	25	Internal Audit Review of Stores Stock Rotation - based on FIFO Donations to India and Namibia	2	3	6	Consider levels of write-off for year-end accounts (AB - 31 March 2023)	SMTL working with DHSC to investigate whether expiry dates can be extended on some PPE equipment Schedules produced and discussed with senior finance officials in WG and Velindre. There may be a need to write off significant values of PPE stock	➡	31/03/2023
										Risk Lead: Director of Finance & Corporate Services		
A6	The increase in energy prices, exacerbated by the war in Ukraine, is likely to lead to significant price increases across the whole range of goods and services resulting in severe cost pressures for NWSSP. (added March 2022)	5	5	25	Energy Price Risk Management Group Forward purchase of energy Briefings to Welsh Government	4	5	20	Investigate switch to Crown Commercial Services following Centrica's announcement that it is withdrawing from the market (AB 31 March 2023)	Paper on energy costs to March SSPC, and update provided to August Informal SLG. Daily monitoring of prices and buying ahead at fixed price where possible. Presentation to September SSPC, and then further update to January 2023 SSPC. WG are funding first six months of actual additional costs.	➡	31/03/2023

	Strategic Objective - Value For Money								Risk Lead: Director of Finance & Corporate Services			
A7	The volatility in the energy market, due to the war in Ukraine, increases the reputational risk to NWSSP in its role in securing energy on behalf of NHS Wales.	5	5	25	Energy Price Risk Management Group Forward purchase of energy Briefings to Welsh Government	4	5	20	Restructure the EMRMG to establish the Welsh Energy Group (AB 31/03/2023)	Risk has been increased due to the withdrawal of British Gas from the market.	➔	31/03/2023
	Strategic Objective - Value For Money									Risk Lead: Director of Finance & Corporate Services		
A8	The threat of industrial action (both within the NHS and across other sectors) is likely to lead to staff shortages in both NWSSP and across NHS Wales impacting delivery of services (added August 22)	4	4	16	Good working relationship with Trade Union colleagues - presence on and updates to SLG. Business Continuity Plans and Arrangements - action cards updated Training provided by Legal & Risk	5	4	20	Continue to monitor impact through SLG (SLG - 31 March 2023)	Difficult to assess impact and possible contingencies until details of industrial action known.	➔	30/06/2023
	Strategic Objective - Staff									Risk Lead: Director of People and OD		
A9	The Student Awards software is at end of life and needs replacement without which delays to student bursary payments could be significantly affected. (added May 2022)	5	5	25	Formal project management in place	2	4	8	Phase 1 to be delivered by April 2023. (GH - 31 March 2023)	SAS contract support agreement with Kainos in place to end of March 2023. FBC approved by Welsh Govt 5/9/22 and funding agreed.	➔	31/03/2023
	Strategic Objective - Customers									Risk Lead: Director of People and OD		
A10	There is a reputational risk associated with the establishment of the Citizens' Voice Body (added July 2022)	4	4	16	Experienced Programme Director Appointment of (Agency) Governance Lead	2	4	8	New body due to be launched 1 April 2023 (HR - 31 March 2023)	Role is to assist Welsh Government in determining how CVB will operate. Governance advice provided initially by PS but an Agency Governance Lead has now been appointed.	➔	31/03/2023
	Strategic Objective - Service Development									Risk Lead: Director of Finance & Corporate Services		
A11	NWSSP are unable to continue to provide business-critical services due to having insufficient numbers of staff available and able to undertake the work. This is particularly an issue with staff on bank or fixed term contracts where funding from WG is uncertain e.g. COVID-related activity and SLE. (added back Sept 2022)	5	5	25	Identification of all business-critical services Redeployment of staff to business-critical services Increased provision of laptops and VPN Roll-out of Office 365 Use of Bomgar service for PCS Daily monitoring and reporting of absence figures. IT Update also given to weekly COVID-19 Planning & Response Group.	4	5	20	The review of bank staff employed under COVID funding continues, but the priority has been on focusing on those fixed term contracts that are coming to an imminent end as set out below. (GH - 31 March 2023)	19.3 WTE staff in Recruitment extended for a further 12 months. In terms of Supply Chain, Logistics and Transport staff, those involved on the mass vaccination programme have also been extended until March 31, 2024, as Welsh Government funding has been confirmed. There is no confirmation of funding beyond 30 June 2023 for staff employed in the provision of PPE	➔	31-Mar-23
	Strategic Objective - Customers									Risk Lead: Director of People and OD		
A12	An issue with the supplier of the replacement Legal & Risk Case Management System threatens financial loss and the delivery of the service (added Sept 22)	4	4	16	Formal project managed through PMO	4	4	16	Regular updates to SLG (MH - 31 March 2023)	There is currently a significant issue about the scope, duration and cost of the project.	➔	31/07/2023
	Escalated Divisional Risk									Risk Lead: Director, Legal & Risk Services		
A13	The planned development of the Clinical Pharmacy Service is adversely impacted due to financial and staffing challenges (added Sept 22)	4	4	16	CIVAS Board National QA Pharmacist	3	4	12	Discussion regarding funding and TUPE of staff from Health Boards (CP 31 March 2023).	Update to January 2023 SSPC	➔	31/03/2023
	Escalated Divisional Risk									Risk Lead: Service Director		
A14	The lack of available capital threatens the successful implementation of the Laundry Transformation programme, resulting in required service improvements not being achieved.	5	5	25	Business Case signed off at SSPC and Trust Board	5	5	25	Develop alternative plans that do not rely on substantial capital investment. (ND 30/06/2023)	Welsh Government have confirmed that the required capital funding is not available for the foreseeable future.	➔	30/06/2023
	Strategic Objective - Service Development									Risk Lead: Director, Procurement Services		
A15	Difficulties in recruiting staff leave us unable to meet the expectations of Welsh Government in playing a leading role in delivering the decarbonisation agenda.	5	5	25	Decarbonisation Programme Board Project Execution Plan PMO Support	3	4	12	Continue to recruit to fill vacant posts (ND - 30/04/2023)	Anticipated that the full team will not be in place until the summer of 2023.	➔	31/08/2023
	Strategic Objective - Service Development									Director, Specialist Estates Services		
A16	The move to agile working, and the relatively imminent expiry of a number of our property leases, require urgent agreement of an Accommodation Strategy.	5	4	20	Mark Roscrow tasked with developing Accommodation Strategy.	3	4	12	Re-negotiate the Nantgarw lease and/or consider alternative options (AB 30/04/2023) Seek to exit Companies House lease asap and consider alternative options, most likely Cathays Park. (AB 30/09/2023)	Nantgarw lease currently being negotiated.	➔	30/09/2023
	Strategic Objective - Staff									Director, Specialist Estates Services		
A17	The presence of Reinforced Autoclaved Aerated Concrete in the Brecon House building in Mamhilad has contributed to the unsafe state of repair of the roof, making the building unsafe for staff. (added January 2023)	5	5	25	Majority of staff working from home. Health & Safety Reviews Structural Engineers appointed	3	5	15	Immediate work being undertaken to make building safe for staff (SF 31/03/2023). Plan to vacate Brecon House, ideally at end of 2022/23 financial year (AE 31/03/2023)	Negotiations being undertaken for alternative accommodation. Update paper to February 2023 SLG.	➔	30/06/2023
	Escalated Divisional Risk									Director, Primary Care Services		

A18	The transfer of the laundries to NWSSP expose a number of risks including concerns over health and safety and formality of customer relationships. (added April 2021)	4	4	16	All-Wales Programme Business Case Programme Board Regular updates to SLG on progress with Action Plan Draft SLAs approved by SSPC Appointment of Assistant Director for Laundry	2	3	6	Appoint additional H&S resource to address problems and maintain progress in Laundry sites. (AB 30/06/2023)	Transfer has now taken place for all of the 5 laundries, although arrangements are different for Hywel Dda and Cwm Taf. Updates provided to SLG. IA reviews have provided reasonable assurance.		30-Jun-23
	Strategic Objective - Service Development									Risk Lead: Director of Procurement Services		
Risks for Monitoring												
M1	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. Security Review Undertaken (reported Dec 18) Increased Security Patrols at Matrix. CTSA underake annual reviews of high risk buildings e.g. IP5, Picketston	1	4	4	Review results from security checklists (PS - 31/07/22 - complete)	Security Review undertaken and reported to SMT in Dec 2018. No major findings and all agreed actions implemented or superceded.		
										Risk Lead; Director Specialist Estates Services/Director of Finance and Corporate Services		
M2	There is an increased fire risk with a consequence for protection of buildings at Alder House, Brecon House and Matrix House due to a lack of compartmentation in the roof space.	2	5	10	Fire Safety Officer Risk Assessment - assessed risk to life as low - Update Paper to Feb, May and November SMTs.	1	5	5	Discrete fire risk assessments to be undertaken for each site at the recommended intervals. Risk to remain on Corporate Risk Register to ensure sufficient monitoring.	Landlords consider any work on compartmentation to be our responsibility. SES reported to Nov 2020 SLT where it was agreed that the risk to life is very low. Further discrete risk assessments to be undertaken and reported back to Feb 2021 SLT.		
										Risk Lead: Director of People and OD		
M3	The total quantum for funding for addressing Covid-19 across Wales remains fluid and uncertain. There is a risk that the organisation's operational cost of addressing the pandemic cannot be contained within available funding resulting in a potential breach of the planned outturn for 2021-22.	3	3	9	Financial modelling and forecasting is co-ordinated on a regular basis; Financial reporting to Welsh Government on local costs incurred as a result of Covid-19 to inform central and local scrutiny, feedback and decision-making; Oversight arrangements in place at SMT level, and through the command structure. Financial Governance Committee considers VFM in all expenditure	1	3	3	Ensure that the costs directly associated with COVID-19 are identified and accurately captured. Provide regular updates to Welsh Government.	Take risk to March 2023 SLG with recommendation to remove from the Risk Register.		
										Risk Lead: Director of Finance & Corporate Services		
M4	NWSSP are unable to procure sufficient orders of PPE, medical consumables and equipment resulting in clinical staff being able to treat patients safely and effectively.	5	5	25	PPE Winter Plan Finance Governance Committee Streamlined arrangements for Trust Board and WG approvals Increased limits approved for Scheme of Delegation. Regular meetings with UK and Welsh Government. Active involvement in UK Mutual Aid Schemes. Deloitte undertook consultancy work on behalf of WG to assist in this area. Internal Audit Review (Sept 2020)	1	3	3	Audit Wales published their findings on 14 April 2021 and report largely positive but action plan developed to respond to their findings.	Take risk to March 2023 SLG with recommendation to remove from the Risk Register.		
										Risk Lead: Director of Procurement Services		
M5	By requiring our staff to continue working we expose them to a greater risk of being infected with COVID-19 which may cause them significant health problems.	5	5	25	Vaccination Programme All staff encouraged to work from home where possible. Risk Assessments undertaken for all staff. Social Distancing measures in place in each office. Any staff displaying any symptoms told not to come into office or go home immediately. Testing for front-line staff Weekly Site Leads' meetings to assess position in each office.	1	3	3	Following the updated guidance issued by Welsh Government on 22 Dec additional communications have been issued to all staff. This provide information regarding access to lateral flow tests as well as signposting to the requirements for self-isolation. SLG agreed to reinforce the key message to work from home unless there is a requirement to attend site.	Take risk to March 2023 SLG with recommendation to remove from the Risk Register.		
										Risk Lead: Senior Leadership Group		
M6	Staff wellbeing is adversely affected through concerns arising from COVID-19 either directly in terms of their health and that of their families,	5	5	25	Regular communications to all staff Reminders of how to access Employee Assistance schemes	1	3	3	Implement action plan to respond to findings from staff surveys - monitored and managed through Adapt and Future Change Group.	Take risk to March 2023 SLG with recommendation to remove from the Risk Register.		
										Risk Lead: Director of People and OD		
M7	GP Trainees, who are employed by NWSSP, are exposed to a level of risk of risk of catching COVID-19 but are outside the direct control and	5	5	25	Risk Assessments by Education Supervisor - leads to decision on what PPE is to be provided. Tripartite Agreement	1	3	3	Confirming vaccination rates with staff individually as Health Board reports to total numbers vaccinated suggest under-reporting.	Take risk to March 2023 SLG with recommendation to remove from the Risk Register.		
										Risk Lead: Director of People and OD		
M8	Specific fraud risk relating to amendment of banking details for suppliers due to hacking of supplier e-mail accounts leading to payments being made to fraudsters	5	3	15	Documented process for bank mandate changes Role of Supplier Maintenance Team Authorisation by Senior Finance Staff Internal Audit Reviews Experian Bank Mandate Checker	1	3	3	Recent spate of attacks (Apr 22) reinforces need to maintain current controls. Review results of further Internal Audit (Sept 2022)	Further spate of attempted frauds in April/May 2022 (4) but all stopped by team. This has reinforced the need to maintain and possibly even strengthen existing controls. Meeting held with Nat West on 22/9/22 to review their payee verification software.		
										Risk Lead: Director of Finance & Corporate Services		

 GIG Cymru NHS Wales		Partneriaeth Cydwasaethau Shared Services Partnership		AGENDA ITEM: SSPC 23 March 2023	
The report is not Exempt					
Teitl yr Adroddiad/Title of Report					
NWSSP Audit Committee Assurance Report – January 2023					
ARWEINYDD: LEAD:		Peter Stephenson Head of Finance & Business Development, NWSSP			
AWDUR: AUTHOR:		Carly Wilce Interim Corporate Services Manager, NWSSP			
SWYDDOG ADRODD: REPORTING OFFICER:		Andy Butler Director of Finance & Corporate Services, NWSSP			
MANYLION CYSWLLT: CONTACT DETAILS:		Andy Butler Director of Finance & Corporate Services, NWSSP 01443 848552 / Andy.Butler@wales.nhs.uk			
Pwrpas yr Adroddiad: Purpose of the Report:					
The purpose of this paper is to provide the SSPC with assurance and details of the key issues considered by the NWSSP Audit Committee, at its meeting on 24 January 2023.					
Llywodraethu/Governance					
Amcanion: Objectives:		Each of the five key Corporate Objectives			
Tystiolaeth: Supporting evidence:		Individual reports submitted to Audit Committee			
Ymgynghoriad/Consultation:					
Who has been consulted on the details of the report? <ul style="list-style-type: none"> NWSSP Audit Committee 					
Adduned y Pwyllgor/Committee Resolution (insert ✓):					
DERBYN/ APPROVE		ARNODI/ ENDORSE		TRAFOD/ DISCUSS	NODI/ NOTE
		✓			
Argymhelliad/ Recommendation		Outline the recommendation of the report <ul style="list-style-type: none"> The Committee is asked to NOTE the report 			
Crynodeb Dadansoddiad Effaith: Summary Impact Analysis:					
Cydraddoldeb ac amrywiaeth: Equality and diversity:		No direct impact			
Cyfreithiol: Legal:		No direct impact			
Iechyd Poblogaeth: Population Health:		No direct impact			
Ansawdd, Diogelwch a Profiad y Claf:		No direct impact			

Quality, Safety & Patient Experience:	
Ariannol: Financial:	No direct impact
Risg a Aswiriant: Risk and Assurance:	This report provides assurance to the Committee that NWSSP has robust risk management processes in place.
Safonnau Iechyd a Gofal: Health & Care Standards:	Access to the Standards can be obtained from the following link: http://gov.wales/docs/dhss/publications/150402standardsen.pdf
Gweithlu: Workforce:	No direct impact
Deddf Rhyddid Gwybodaeth/ Freedom of Information	Open

VELINDRE UNIVERSITY NHS TRUST AUDIT COMMITTEE FOR NWSSP ASSURANCE REPORT

1. CEFNDIR/BACKGROUND

The Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership (Audit Committee) provides assurance to the Shared Services Partnership Committee (SSPC) on the issues delegated to them through the Trust and NWSSP Standing Orders. A summary of the business matters discussed at the meeting held on 24 January 2023, is outlined below:

ALERT	No matters to alert/escalate.
ADVISE	No matters to advise.
ASSURE	<p>NWSSP Update</p> <p>The Managing Director presented the committee with an extensive update as to key developments within NWSSP. Main highlights discussed are as follows-</p> <ul style="list-style-type: none"> • Technology to allow pre-employment checks to be undertaken virtually for all UK and Irish passport holders was successfully implemented on 30th September 2022 across NHS Wales. A reduction in time to hire has been noted since its implementation; • Following a recent national Penicillin V shortage, CIVAS@IP5 medicines unit utilised its national portfolio and MHRA wholesale dealer licence to procure significant quantities of Penicillin direct from the manufacturer; • From the 1st April 2023 management of all emergency planning / medicines storage of Welsh Government owned stock will transfer to NWSSP; • On 22nd December 2022, the Low Vision Service Wales (LVSW) transferred to NWSSP; • NWSSP continue to assist Welsh Government in the establishment of the new Citizens Voice Body and a separate virtual private database code has been established; • Capital funding for the Laundry Services Modernisation Programme continues to be an issue, NWSSP are currently considering alternative options to progress the work needed to meet the minimum standards; and • The Director of Specialist Estate Services will retire in March 2023 and his deputy was successfully appointed and will commence the post in February 2023.
ASSURE	<p>External Audit Position Statement</p> <p>Audit Wales provided a detailed update as to current and planned audit work. The audit of Local Authority accounts is currently on-going and the exact timings of the audits for NWSSP and other NHS Wales organisations is still uncertain. The delay is due to the introduction of the new auditing standards which has significantly impacted the team's capacity.</p> <p>A new engagement Director for NWSSP has been recently appointed, and an introductory meeting with Senior Management has been scheduled.</p>
ASSURE	<p>Internal Audit Position Statement</p> <p>The Head of Internal Audit presented the Position Statement together with an overview of other activity undertaken since the previous meeting. Key points to highlight were that three further audits have been completed to date, all of which received a reasonable assurance opinion. A number of other audits are in progress. The team are currently developing the</p>

	2023-24 Internal Audit Plan, and this will be reviewed with the Senior Leadership Group in March and brought to the Audit Committee for formal approval in April 2023.
ASSURE	<p>Internal Audit Reports</p> <p>The following reports were presented to the Committee for consideration:</p> <p>Recruitment Services The report received reasonable assurance, with two recommendations for action.</p> <p>Laundry Services – Glan Clwyd The audit achieved a rating of reasonable assurance with one high priority recommendation relating to the physical condition of the building and security of the site and one medium priority rated recommendations for action.</p> <p>Accounts Payable The report covered the annual review of Accounts Payable on behalf of NHS Wales who all utilise the service. The report noted the significant increase in the workload of the division in recent years. The opinion of reasonable assurance was given after three medium and one low priority recommendations were noted.</p>
ASSURE	<p>Counter Fraud Position Statement</p> <p>The Counter Fraud Position Statement was presented to the Committee, with an overview of other activity. As of 31 December 2022, a total of 148 days of Counter Fraud work has been completed against the agreed 242 days in the Counter Fraud Annual Work-Plan for the 2022/23 financial year. The statement summarised the following activity in the last quarter:</p> <ul style="list-style-type: none"> ○ Three fraud awareness sessions have been delivered and a fraud awareness survey was issued to all staff and 304 responses were received; ○ Positive feedback has been received from the Finance Academy in regard to the new fraud awareness e-learning package; ○ There have been two cases of fraud referred, relating to working whilst on sick leave, and a salary overpayment; ○ A case from the previous quarter relating to a Primary Care Contractor selling PPE items on social media totalling the value of £2,700 remains ongoing; and ○ To undertake a risk assessment exercise in partnership with other counter fraud leads to avoid duplication.
ASSURE	<p>Update on Surplus Beds</p> <p>An update on the utilisation of surplus bed stock that resulted from the NHS Wales Covid response was presented. In early March 2020, NWSSP were requested by Welsh Government to co-ordinate the central purchase of beds and mattresses for NHS Wales to equip the field hospitals.</p> <p>As the pandemic progressed, it became evident that the first wave in Wales was not going to realise the forecast demand for field hospital beds, and NWSSP had worked with suppliers to cancel a number of large orders for beds that had been placed and at that point had not yet been delivered. There were however a large number of beds that had been delivered to field hospitals that were in the process of being dis-established and were subsequently placed in storage provided by Welsh Government.</p> <p>At 31st March 2021, the bulk of the surplus stock of these beds remain in storage despite numerous attempts for the items to be provided to UHBs as part of any bed replacement programme. UHBs deemed these beds as not being of hospital grade and unsuitable for use within NHS Wales. Due to this, Audit Committee and Welsh Government approval was sought to write off the value of these beds in 2020/21 totalling £5.7million which was funded by Welsh Government.</p> <p>As at September 2022, 2,328 surplus beds remained in stock with 198 of these being provided during the month for transport to hospitals in Moldova supporting the Ukraine war</p>

	<p>response. Options are being explored with Welsh Government to repurpose the remaining beds and mattresses. At the beginning of January 2023, an additional 1,805 beds and 1,667 mattresses have been repurposed to Local Authorities and Care Homes across Wales, and only 325 beds and 463 mattresses remain in storage.</p>
ASSURE	<p>Risk Management</p> <p><i>Risk Appetite Statement</i></p> <p>The Risk Appetite Statement is reviewed annually by the Audit Committee. The statement was informally reviewed at the Shared Services Partnership Committee (SSPC) Development Day on 11 November 2022 and the Informal Senior Leadership Group on the 10th of November. It was then formally approved at the SSPC held on 19th January. Following the review, a significant number of changes were made to the statement, both in terms of content and format. The format has been updated to reflect latest guidance and the content revised to reflect a bolder approach to risk, encouraged by both members of the SLG and SSPC.</p> <p>Risk Assurance Mapping</p> <p>Assurance maps for NWSSP were first been presented to the Audit Committee in November 2017 and are updated annually to ensure they remain current. The last review demonstrated that the vast majority of risks had adequate assurance in place and the maps had been updated to include newly acquired services, such as Medical Examiner, Laundry and CIVAS.</p> <p>Corporate Risk Register</p> <p>Following a deep dive of the Corporate Risk Register at the November SLG the number of red risks increased significantly and are summarised below:</p> <ul style="list-style-type: none"> • Inflationary consequences of the situation in Ukraine and the resultant impact on energy prices remains red; • As a consequence of the above risk, an additional risk has been identified, which considers the role that NWSSP plays as lead purchaser for the whole of NHS Wales, and the reputational risk that is associated with the role; • Existing risk relating to the impact of industrial action has been escalated from amber to red, as strike action was confirmed; • Similarly, the existing risk of having insufficient staff resource to meet demands has also been escalated from amber to red; • The current dispute with the supplier of a new system has also been escalated from amber to red; • The Laundry Transformation Programme has been added as a red risk due to the uncertainty over of capital funding for the scheme; and • Issues with the roof at Brecon House in Mamhilad has also been added as a red risk due to serious damage through water ingress and falling masonry, making the building unsafe for staff.
ASSURE	<p>Health and Care Standards</p> <p>The Health and Care Standards annual Self-Assessment was consistent with last year's evaluation of Level 4. All eight appendices had been reviewed and approved at the Velindre NHS Trust Quality and Safety Committee (QASC) in November 2022. The report was then taken to the SSPC earlier this month for endorsement.</p>
ASSURE	<p>Governance Matters</p> <p>The Governance Matters paper detailed the contracting activity for the last quarter, highlighting there had been no departures from Standing Orders. 38 contracts had been let for NWSSP and 22 further contracts for NHS Wales. There have been three declarations made as to gifts, hospitality or sponsorship since the last meeting and no internal audits reports have received limited or no assurance.</p> <p>Of 248 audit recommendations, 233 have been implemented, 5 are not yet due, 4 are not in the gift of NWSSP and 6 were overdue. The Audit Committee approved the revised deadlines of those overdue actions, which have previously not been extended.</p>

	Recommendations dependant on third parties, would be shared with the Shared Services Partnership Committee to obtain appropriate updates.
INFORM	Items for Information The following items were provided for information: <ul style="list-style-type: none"> • IMTP Plan on a page; • Welsh Language Annual Report; and • Audit Committee Forward Plan.

2. ARGYMHELLIAD/RECOMMENDATION

The Committee is asked to:

- **NOTE** the Assurance Report

NHS WALES SHARED SERVICES PARTNERSHIP MONITORING RETURN COMMENTARY FOR PERIOD 10 – JANUARY 2023

This summary report provides a review of NHS Wales Shared Services Partnership's (NWSSP) performance for January 2023 and should be read in conjunction with the Monitoring Return tables submitted for Month 10.

Thank you for your email of 23rd January 2023 responding to the Month 9 monitoring return. The action points raised are addressed within this return and additional information provided where requested.

Overview of Performance and Financial Position

NWSSP's forecast outturn financial position at Month 10 is reported at break-even. This is based on the continued assumption per the IMTP financial assumptions letter issued on 14th March 2022 and recent confirmation from Welsh Government finance officials that we can continue to anticipate income from Welsh Government for Month 10 to 12 energy pressures (Month 1-9 pressures have already been invoiced).

The position assumes that the additional costs to support the significant increase in transactional activity related to the utilisation of Covid recovery monies in UHBs/Trusts, estimated at £1.246m, will be non-recurrently funded internally within NWSSP for 2022/23. We have included the assumption in our IMTP that this activity and associated increased costs will continue into 2023/24, of which £0.641m will be funded by additional NWSSP savings and £0.605m will be recharged to UHBs/Trusts. We have included an apportionment of these costs to be recharged within the NWSSP IMTP planning assumptions that we have shared with UHB/Trust colleagues for inclusion within their plans (**Action Point 6.2a**). However in the event that funding is not obtained from UHBs/Trusts in 2023/24 we will look to seek funding from Welsh Government.

1. Movement of Opening Financial Plan to Forecast Outturn (Table A)

Table A has been amended in month to reflect the Month 10 position. Energy costs continue to be forecast at £5.500m with a budget pressure of £3.182m. The forecast is £1.182m more than the £2.000m pressure originally assumed in our IMTP in January 2022. There remains a lot of uncertainty in our forecast due to the lack of historic energy analysis for the laundries and the delays incurred in receiving energy recharges from UHBs. We continue to communicate with UHB colleagues regularly to understand the various issues and ensure our accruals

are as accurate as possible however we continue to experience delays in receiving the relevant information from some UHBs.

The table has also been populated with the updated Covid expenditure forecast and equivalent funding anticipated which remains broadly in line with the Month 9 forecast.

Year to date over-achievement of savings and income generation of £2.655m are included in Table A. The over-achievement of savings and income generation is forecast to reach £2.740m by the end of the financial year after utilising £1.246m of these savings to fund the Covid recovery costs we are incurring. These savings will be utilised for NWSSP investments in areas to accelerate benefits, to fund pressures and to increase the distribution to NHS Wales to £2.000m in 2022/23. The savings will also be used to fund the £1.000m brokerage that has now been approved.

2. Overview of Key Risks & Opportunities (Table A2)

This table has been populated with the risks and opportunities per our IMTP which have been reviewed and updated further during January. The key changes from the Month 9 submission are:

- The risk of energy pressures funding has been reduced to zero now that this funding has been confirmed by Welsh Government and Month 1-9 cost pressures invoiced. We continue to estimate £1.075m funding will be required to fund the energy pressures for Quarter 4 (**Action Point 9.1**).
- The risk of non-achievement of income targets has been removed given the over achievement of income to Month 9.
- The risk of additional funding for IP5 running costs not being provided has been removed given the overspend can be managed within our 2022/23 financial position, although funding will be required recurrently as identified in our IMTP.
- The risk of funding for the Medical Examiner Service has been removed given Month 1-9 costs have now been invoiced and funding has been agreed for 2022/23 costs. The recurrent funding position for this Service does require confirmation and is identified as a risk in our IMTP.

The risk and opportunity regarding the energy costs being more/less than forecast remain, primarily due to the delays in confirmation of actual laundry utility costs by UHBs which are the main driver of our energy pressure.

3. Actual Year to Date Monthly Position (Tables B, B2 & B3)

The key points to note within the year to date and forecast position are:

- The full year income forecast for 2022/23 has increased from £666.146m as forecast in Month 9 to £668.703m in Month 10. This is primarily due to the inclusion of our impairment funding requirement and adjustments to depreciation funding estimates and recovery of revenue funding for IFRS16.
- Welsh Government income reduced in Month 10 due to the reduction in WRP payments in January (Month 9 costs were high due to the annual payments and uplifts paid in December).
- The NHS income profile increased in Month 2 as the final cohort of trainees transferred to SLE in May. This spiked again in August due to the new SLE rotation intake and again in September with the payment of the pay award and arrears. These movements are also evidenced in the phased increase of pay costs in Table B and the Medical/Dental pay costs in Table B2.

The forecast annual SLE income is broadly in line with Month 9 at £232.272m (£232.420m Month 9) and is detailed below. Due to the ad hoc locum payments that are now processed through SLE and the February rotation some variability between months is to be expected.

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	TOTAL
PAY	15.978	16.607	16.662	16.699	18.382	23.292	19.387	18.479	18.534	18.143	18.590	18.620	219.372
NON PAY	0.711	0.957	0.962	1.068	1.206	1.159	1.404	0.816	1.533	1.227	0.929	0.929	12.899
TOTAL	16.689	17.564	17.624	17.766	19.588	24.451	20.791	19.295	20.067	19.370	19.518	19.548	232.272

- HEIW will fund up to £0.299m additional SLE workforce team costs in 2022/23 to enhance the service provided to medical, dental and pharmacy trainees. We progressed a submission for recurrent funding to Emma Coles in Welsh Government in early December and await an update with regard to the funding position.
- The Other income spikes in Months 6, 8, 9 and 12 due to the timing of the annual settlement and quarterly pharmacy rebates which are received one quarter in arrears. Corresponding spikes in non pay also occur in these months to match the income as the funds are repatriated to NHS Wales and Welsh Government. This is the reason for the reduced non pay costs for Months 10 and 11 as the rebates are quarterly. Month 12 has a large increase due to the accrual of two quarters of pharmacy rebate income and expenditure (Quarter 3 actual and Quarter 4 estimated due to the timescales the rebate information is received) (**Action Point 9.2**)

- The total energy pressures funding estimate remains at £3.182m again in Month 10 pending updates from UHBs on actual laundry utility costs.
- Following a review of the indicative annual leave requests to carry forward to 2023/24, we estimate we will be able to release circa £0.100m from our accrual. We will utilise this to fund the increase in our dilapidation provision that Estates colleagues estimate are increasing between 25-50% from previous claims.
- No estimate of the impact of the new pay award offer has been included in the tables.
- Forecast non-cash charges of £7.371m are included which is an increase from Month 9. This is primarily due to (i) the transfer of IP5 under IFRS16 from an owned asset to an RoU asset, (ii) the removal of the Hywel Dda and Cwm Taf Morgannwg laundries from the peppercorn lease arrangements now it has been agreed they do not fall within the scope of IFRS16 (iii) additional accelerated depreciation forecast as a result of additional disposals we have been notified of (iv) the inclusion of our AME impairment funding estimate per discussions with Jackie Salmon. In addition there will also be an AME funding requirement for donated asset depreciation resulting from the transfer of assets from the Lighthouse Labs, although we await formal transfer documentation and asset values to be able to calculate this.

It should be noted that Velindre are updating the fixed asset register in February for the DV valuations, impairments, accelerations and 2022/23 additions so the forecast figures are based on manual calculations rather than system generated entries. In addition, eleven months of IFRS16 journal entries will be posted in February now the new Prolease software can be utilised. All resulting depreciation charges will be fully reviewed and any movements reconciled against our forecast to ensure we can meet the 10th March 2023 deadline to notify of any non-cash adjustments. The income over our £1.551m baseline funding has been anticipated in Table E1.

- £81.676m income and expenditure is included to Month 10 in relation to the WRP DEL budget. This expenditure is reported separately on line 9 – Losses, Special Payments & Irrecoverable Debts. The full year WRP forecast balances to the £134.780m (£132.521m WRP DEL and £2.259m Redress which forms part of the DEL expenditure from 2022/23) as included in our IMTP and is phased on a straight-line basis over remaining months.

The WRP forecast position continues to assume that the risk share agreement will be invoked for £25.345m.

An updated review of the full year forecast, which includes a number of high level assumptions on case settlements, indicates that the potential forecast range is £127m - £140m. The range continues to be large due to the number of assumptions and variables which continue to impact the forecast in the last few months of the financial year. We will provide WG colleagues with regular updates on the forecast position as we approach the end of the financial year.

- £0.119m of agency expenditure was reported in Month 10 which is an increase on previous months. Expenditure continues to be incurred as we utilise more agency to cover the increasing number of vacancies to ensure service continuity.
- Table B3 details the in month and forecast Covid19 additional expenditure. This has been collated and reviewed on a service by service basis within NWSSP and will continue to be monitored at this level.

The mass vaccination and other covid expenditure sections have been populated. The overall forecast of Covid funding required has slightly reduced from £17.716m in Month 9 to £17.300m in Month 10. This is primarily due to £0.688m of PPE issues to Primary and Social care in January against the £1.000m forecast.

A summary of the year to date and forecast expenditure is detailed below:

Covid Costs	YTD	22/23 Forecast
	£m	£m
Operational Costs	3.721	4.480
Mass Vacc - PPE	-	-
Mass Vacc - Pay & Non Pay (non PPE)	1.100	1.386
Social Care/Primary Care PPE	9.177	11.177
Ukraine PPE donation	0.258	0.258
TOTAL	14.256	17.300

At the end of 2021/22 we accrued a credit note to Welsh Government totalling £41.749m to provide NWSSP with the continued cash coverage for the increased stock balance we hold. £8.614m has now been returned to Welsh Government in 2022/23 so that the credit note accrual now totals £33.135m.

CREDIT NOTE BALANCE @ 31.03.2022	41.749
Quarter 1 PPE - Primary & Social Care	-3.535
Ukraine donation - PPE elements	-0.125
Quarter 2 & 3 PPE - Primary & Social Care	-4.954
CREDIT NOTE BALANCE @ 31.01.2023	33.135

We met with Welsh Government colleagues in January and have also agreed the return of the £4.5m Brexit cash support for the additional stock we were asked to hold. We will continue to monitor the cash position in February and early March to identify if any further cash can be returned to Welsh Government, although this is dependent upon overall stock balances reducing and/or additional stock purchase requirements.

We are also reviewing the value of our stock and whether any write downs of PPE items to net realisable value are required in addition to reviewing our stock provisions for obsolete or out of date items. We are liaising with Welsh Government finance colleagues in respect of this and any resulting funding implications.

4. Savings (Tables C & C3)

Table C3 has been populated with the savings schemes and income generation opportunities per our IMTP, and has been updated with additional in year schemes and actual and forecast achievements. Over achievement of savings and income generation total £2.655m to Month 10 after internally funding the year to date increased activity/covid recovery costs. At Month 10 we are forecasting a potential £3.986m over achievement of savings and income generation based on performance to date, with £1.246m to be utilised to fund the full year forecast increased activity/covid recovery costs.

5. Welsh NHS Assumptions (Table D)

Table D has been left blank as requested.

6. Invoiced Income Streams (Table E1)

Line 1 of this table has been populated with the budgeted income streams by organisation. This includes the forecast income from UHBs/Trusts in respect of stores issues and the SLE recharges based on the agreed SLA values. As these costs are recharged based on actual expenditure incurred, these may be subject to change in future months.

Lines 2-22 have been populated with anticipated income streams for which we have yet to receive formal funding confirmation.

The Covid and energy costs have been updated to reflect the most recent funding assumptions as noted in the sections above and have been reduced by any invoices raised to date.

The IFRS Revenue Recovery and Depreciation values have been updated to reflect the recently approved Q1 and Q2 leases adjusted for the RoU and peppercorn lease items noted above (**Action Point 9.3**). The Strategic and Accelerated DEL Depreciation charges and the AME impairment forecast charges have also been updated in Month 10.

7. Cash Flow (Table G)

Not required for completion.

8. PSPP (Table H)

This table is not required for NWSSP.

9. Capital Expenditure Limit Management and Disposals (Tables I, J & K)

Tables I & J have been completed to reconcile to our most recent CEL of £4.799m issued on 8th February 2023.

We have fully allocated all our discretionary capital funding and Table I and J have been updated in line with the planned approved expenditure and profile.

We have received a funding letter for the TRAMS OBC Fees totalling £0.520m over 2022/23 and 2023/24. We await final confirmation of the costs that will be incurred in 2022/23 so that we can confirm our funding requirement for this to be added to our CEL.

We are in discussions with Ian Gunney and Jackie Salmon regarding the impairment required on the Laundry OBC Fees in 2022/23. An estimate of £1.085m has been included in the Month 10 return, although this is subject to final review by Estates colleagues. Due to the release of accruals from 2022/23 we are identifying schemes to utilise the balance of the capital funding within the financial year.

All schemes remain on course to enable us to meet our Capital Expenditure Limit.

10. Aged Debtors (Table M)

At 31st January 2023 we had six invoices outstanding over 17 weeks. Three have been paid in early February. The UHBs have confirmed that there is no dispute with these invoices and are urgently progressing for payment, although we continue to face issues with approval of payments and/or generation of purchase order numbers with UHBs/Trusts. We continue to actively chase for payment to ensure no invoices breach 17 weeks (**Action Point 9.4**)

11. GMS (Table N)

Not required for completion by NWSSP.

12. Dental (Table O)

Not required for completion by NWSSP.

13. Other Issues

The financial information provided in this return is an accurate assessment of the NWSSP financial position at this point in time and aligns to the details provided in the NWSSP Partnership Committee and Senior Leadership Group reports.

The Shared Services Partnership Committee will receive the Month 10 Financial Monitoring Return along with the Month 11 return at the March meeting.

14. Authorisation of Return



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NEIL FROW
MANAGING DIRECTOR
NWSSP

10th February 2023



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ANDREW BUTLER
DIRECTOR OF FINANCE &
CORPORATE SERVICES

NHS WALES SHARED SERVICES PARTNERSHIP MONITORING RETURN COMMENTARY FOR PERIOD 11 – FEBRUARY 2023

This summary report provides a review of NHS Wales Shared Services Partnership's (NWSSP) performance for February 2023 and should be read in conjunction with the Monitoring Return tables submitted for Month 11.

Thank you for your email of 17th February 2023 responding to the Month 10 monitoring return. The action points raised are addressed within this return and additional information provided where requested.

Overview of Performance and Financial Position

NWSSP's forecast outturn financial position at Month 11 is reported at break-even.

The reported position includes the additional costs to support the significant increase in transactional activity related to the utilisation of Covid recovery monies in UHBs/Trusts, estimated at £1.246m. These have been funded internally from non-recurring NWSSP savings during 2022/23.

1. Movement of Opening Financial Plan to Forecast Outturn (Table A)

Table A has been amended in month to reflect the Month 11 position. Energy costs continue to be forecast at £5.500m with a budget pressure of £3.182m. The forecast is £1.182m more than the £2.000m pressure originally assumed in our IMTP in January 2022. There continues to be a level of risk within our energy forecast due to delays in obtaining actual energy cost forecasts from UHBs and we continue to accrue costs based on estimates provided which will have to be confirmed and agreed in Month 12 as part of the agreement of balances process.

The table has also been populated with the updated Covid expenditure forecast and equivalent funding anticipated which identifies a reduction from the Month 10 forecast due to reduced actual and forecast PPE issues to Primary & Social Care in February and March.

The utilisation of the in year over-achievement of savings and income generation has been updated to include the £1.000m of brokerage agreed on a separate line in Table A (**Action Point 10.1**)

When the value of the release of the annual leave accrual is confirmed in Month 12, Tables A and C3 will be updated to reflect the accountancy gain and the utilisation of this **(Action Point 10.2)**

2. Overview of Key Risks & Opportunities (Table A2)

Our risks and opportunities have been reviewed and updated during February. The only risk and opportunity reported in Month 11 relates to energy costs being more/less than forecast and upon which the funding shortfall that we have now invoiced to Welsh Government is based. This risk and opportunity continue due to the delays in confirmation of actual laundry utility costs by UHBs which are the main driver of our energy pressure.

3. Actual Year to Date Monthly Position (Tables B, B2 & B3)

The key points to note within the year to date and forecast position are:

- The full year income forecast for 2022/23 has slightly reduced from £668.703m as forecast in Month 10 to £668.063m in Month 11. This is due to the reduction in the PPE issues to Primary & Social care in Month 11 and a corresponding reduction in the forecast issues for Month 12.
- The NHS income profile increased in Month 2 as the final cohort of trainees transferred to SLE in May. This spiked again in August due to the new SLE rotation intake and again in September with the payment of the pay award and arrears. These movements are also evidenced in the phased increase of pay costs in Table B and the Medical/Dental pay costs in Table B2.

The forecast annual SLE income is broadly in line with previous months at £232.180m (£232.272m Month 10) and is detailed below. Due to the ad hoc locum payments that are now processed through SLE and the rotations some variability between months is to be expected.

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	TOTAL
PAY	15.978	16.607	16.662	16.699	18.382	23.292	19.387	18.479	18.534	18.143	18.302	18.420	218.885
NON PAY	0.711	0.957	0.962	1.068	1.206	1.159	1.404	0.816	1.533	1.227	1.124	1.129	13.295
TOTAL	16.689	17.564	17.624	17.766	19.588	24.451	20.791	19.295	20.067	19.370	19.426	19.548	232.180

- HEIW will fund up to £0.299m additional SLE workforce team costs in 2022/23 to enhance the service provided to medical, dental and pharmacy trainees. We progressed a submission for recurrent funding from 2023/24

to Emma Coles in Welsh Government in early December 2022 and have chased an update in January and February but have still not received any correspondence with regard to the funding position.

- The Other income spikes in Months 6, 8, 9 and 12 due to the timing of the annual settlement and quarterly pharmacy rebates which are received one quarter in arrears. Corresponding spikes in non pay also occur in these months to match the income as the funds are repatriated to NHS Wales and Welsh Government.
- The total energy pressures funding estimate remains at £3.182m again in Month 11 pending full year actual costs from UHBs for laundry utility costs.
- No estimate of the impact of the new pay award offer has been included in the tables.
- Forecast non-cash charges of £8.728m are included which reconciles to the final non-cash forecast submitted on 10th March 2023. Full details of the movement in the forecast were provided with this return (**Action Point 10.3**).

We are also aware of the donation of assets from the Lighthouse Lab closure which would give rise to an AME funding requirement for donated asset depreciation. We continue to await formal transfer documentation and asset values to be able to calculate this or identify if we will be in a position to account for the donation within the financial year given the delays in receiving this information.

The income over our £1.551m baseline funding has been anticipated in Table E1.

- £87.531m income and expenditure is included to Month 11 in relation to the WRP DEL budget. This expenditure is reported separately on line 9 – Losses, Special Payments & Irrecoverable Debts. The full year WRP forecast balances to the £134.780m (£132.521m WRP DEL and £2.259m Redress which forms part of the DEL expenditure from 2022/23) as included in our IMTP. Expenditure of £47.249m is forecast to be incurred in Month 12 due to the year end accruals for cases that we can account for within the financial year.

An updated review of the full year forecast, which continues to have a number of risks at this late stage in the financial year, indicates that the minimum forecast expenditure is £127m, with the expectation that we will reach circa £135m with the cases that we will be in a position to accrue within 2022/23. There is the potential that we may exceed the £135m, although with slippage on a number of recent cases and savings in

settlement values achieved, there is reduced likelihood of us exceeding this target. We are meeting with Welsh Government colleagues on 16th March 2023 to discuss in more detail and will continue to update on the position as we progress through March.

- £0.124m of agency expenditure was reported in Month 11 which is an increase on previous months. Expenditure continues to be incurred as we utilise more agency to cover the increasing number of vacancies to ensure service continuity.
- Table B3 details the in month and forecast Covid19 additional expenditure. This has been collated and reviewed on a service by service basis within NWSSP and will continue to be monitored at this level.

The mass vaccination and other covid expenditure sections have been populated. The overall forecast of Covid funding required has reduced from £17.300m in Month 10 to £16.463 in Month 11. This is due to only £0.555m of PPE issues to Primary and Social care in February against the £1.000m forecast. The forecast for March has been reduced to £0.750m.

A summary of the year to date and forecast expenditure is detailed below:

Covid Costs	YTD	22/23 Forecast
	£m	£m
Operational Costs	4.000	4.383
Mass Vacc - PPE	-	-
Mass Vacc - Pay & Non Pay (non PPE)	1.228	1.340
Social Care/Primary Care PPE	9.732	10.482
Ukraine PPE donation	0.258	0.258
TOTAL	15.218	16.463

At the end of 2021/22 we accrued a credit note to Welsh Government totalling £41.749m to provide NWSSP with the continued cash coverage for the increased stock balance we hold. £8.614m has now been returned to Welsh Government in 2022/23 so that the credit note accrual now totals £33.135m.

CREDIT NOTE BALANCE @ 31.03.2022	41.749
Quarter 1 PPE - Primary & Social Care	-3.535
Ukraine donation - PPE elements	-0.125
Quarter 2 & 3 PPE - Primary & Social Care	-4.954
CREDIT NOTE BALANCE @ 28.02.2023	33.135

We will continue to monitor the cash position in the next few weeks to identify if any further cash can be returned to Welsh Government before the end of March, although this is dependent upon overall stock balances and/or additional stock purchases.

We are also reviewing the value of our stock and whether any write downs of PPE items to net realisable value are required in addition to reviewing our stock provisions for obsolete or out of date items. We are liaising with Welsh Government finance colleagues in respect of this and any resulting funding implications.

4. Savings (Tables C & C3)

Table C3 has been populated with the savings schemes and income generation opportunities per our IMTP, and has been updated with additional in year schemes and actual and forecast achievements. Over achievement of savings and income generation total £2.461m to Month 11 after internally funding the year to date increased activity/covid recovery costs. At Month 11 we are forecasting a potential £3.707m over achievement of savings and income generation based on performance to date, with £1.246m to be utilised to fund the full year forecast increased activity/covid recovery costs.

5. Welsh NHS Assumptions (Table D)

Table D has been left blank as requested.

6. Invoiced Income Streams (Table E1)

Line 1 of this table has been populated with the budgeted income streams by organisation. This includes the forecast income from UHBs/Trusts in respect of stores issues and the SLE recharges based on the agreed SLA values. As these costs are recharged based on actual expenditure incurred, these may be subject to change.

Lines 2-22 have been populated with anticipated income streams for which we have yet to receive formal funding confirmation or have yet to raise an invoice for the full year funding.

The Covid costs have been updated to reflect the most recent funding assumptions as noted in the sections above and have been reduced by any invoices raised to date. The anticipated income for energy has been reduced to zero now that all invoices for the estimated funding shortfall have been raised.

The IFRS Revenue Recovery and Depreciation values have been updated to reflect the values reported in the final non-cash requirements submitted on 10th March 2023 (**Action Point 10.4**). The Strategic and Accelerated DEL Depreciation charges and the DEL and AME impairment forecast charges have also been updated in Month 11 to reconcile to this submission.

7. Cash Flow (Table G)

Not required for completion.

8. PSPP (Table H)

This table is not required for NWSSP.

9. Capital Expenditure Limit Management and Disposals (Tables I, J & K)

Tables I & J have been completed to reconcile to our most recent CEL of £5.102m issued on 15th February 2023.

Tables I and J have been updated in line with the planned approved expenditure and profile. Whilst expenditure of £3.815m is profiled in March, a detailed review of all schemes has provided confidence that this will all be incurred to meet our CEL.

The Glidescope transfers in 22/23 have been reported under asset disposals in Table K and Table I in month and the tables have also been updated for the now approved TRAMS funding so that we show a break-even capital position (**Action Point 10.5**)

We have finalised our review of the Laundry OBC Fees with the split of the value of fees to carry forward to our Laundry Plan B and those that need to be impaired. The £0.995m impairment is included in our final non-cash requirements submission, along with £0.348m for the Legal & Risk Case Management system due to the abandonment of the capital project. The review of the Laundry OBC Fees identified the release of £0.226m contingency accruals, which with Welsh Government capital colleagues approval we have now reallocated the funding to other schemes to spend within the financial year. This credit, along with other credits for VAT recovery are recorded under the 'other' category in the discretionary table.

10. Aged Debtors (Table M)

At 28th February 2023 we had eleven invoices outstanding over 17 weeks. Four have been paid in early March however we are struggling to get Organisations to confirm payment dates as we near the end of the financial year. The UHBs have confirmed that there is no dispute with these invoices and we continue to face issues with approval of payments and/or generation of purchase order numbers with UHBs/Trusts. We continue to actively chase for payment to ensure no invoices breach 17 weeks and in particular that these are resolved before the last NHS payment date in March (**Action Point 10.6**)

11. GMS (Table N)

Not required for completion by NWSSP.

12. Dental (Table O)

Not required for completion by NWSSP.

13. Other Issues

The financial information provided in this return is an accurate assessment of the NWSSP financial position at this point in time and aligns to the details provided in the NWSSP Partnership Committee and Senior Leadership Group reports.

The Shared Services Partnership Committee will receive the Month 11 Financial Monitoring Return along with the Month 10 return at the March meeting.

14. Authorisation of Return



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NEIL FROW
MANAGING DIRECTOR
NWSSP

13th March 2023



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ANDREW BUTLER
DIRECTOR OF FINANCE &
CORPORATE SERVICES