

Annual Governance Statement 2023/2024

NHS Wales Shared Services Partnership

1	SLG 28 March 2024 draft for endorsement
2	SLG 27 June 2024 final draft for endorsement
3	SSPC 18 July 2024 final for noting
4	Audit Committee 25 July 2024 for approval

CONTENTS

	Chapter	Page
1.	Scope of Responsibility	3
2.	Governance Framework	4
	2.1 Shared Services Partnership Committee (SSPC)	4
	2.2 Shared Services Partnership Committee Performance and Self-Assessment	8
	2.3 Velindre University NHS Trust Audit Committee for NWSSP	9
	2.4 Reviewing Effectiveness of Audit Committee	10
	2.5 Sub-Groups and Advisory Groups	11
	2.6 The Senior Leadership Group (SLG)	12
3.	The System of Internal Control	13
	3.1 External Audit	13
	3.2 Internal Audit	14
	3.3 Counter Fraud Specialists	14
	3.4 Integrated Governance	15
	3.5 Quality	16
	3.6 Looking Ahead	18
4.	Capacity to Handle Risk	18
5.	The Risk and Control Framework	20
	5.1 Corporate Risk Register	20
	5.2 Policies and Procedures	21
	5.3 Information Governance	21
	5.4 Counter Fraud	22
	5.5 Internal Audit	23
	5.6 Duty of Quality	23
6.	Planning Arrangements	23
7.	Disclosure Statements	24
	7.1 Equality, Diversity and Human Rights	24
	7.2 Welsh Language	25
	7.3 Handling Complaints and Concerns	26
	7.4 Freedom of Information Requests	26
	7.5 Data Security	26
	7.6 ISO14001 –Sustainability and Carbon Reduction Delivery Plan	27
	7.7 Business Continuity Planning/Emergency Preparedness	30
	7.8 UK Corporate Governance Code	32
	7.9 NHS Pensions Scheme	32
8.	Managing Director’s Overall Review of Effectiveness	35

ANNUAL GOVERNANCE STATEMENT 2023/2024

1. SCOPE OF RESPONSIBILITY

As Accounting Officer, the Managing Director has responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which he is personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. Effective governance is paramount to the successful and safe operation of NHS Wales Shared Services Partnership's (NWSSP) services. This is achieved through a combination of "hard" systems and processes including standing orders, policies, protocols, and processes; and "soft" characteristics of effective leadership and high standards of behaviour (Nolan principles).

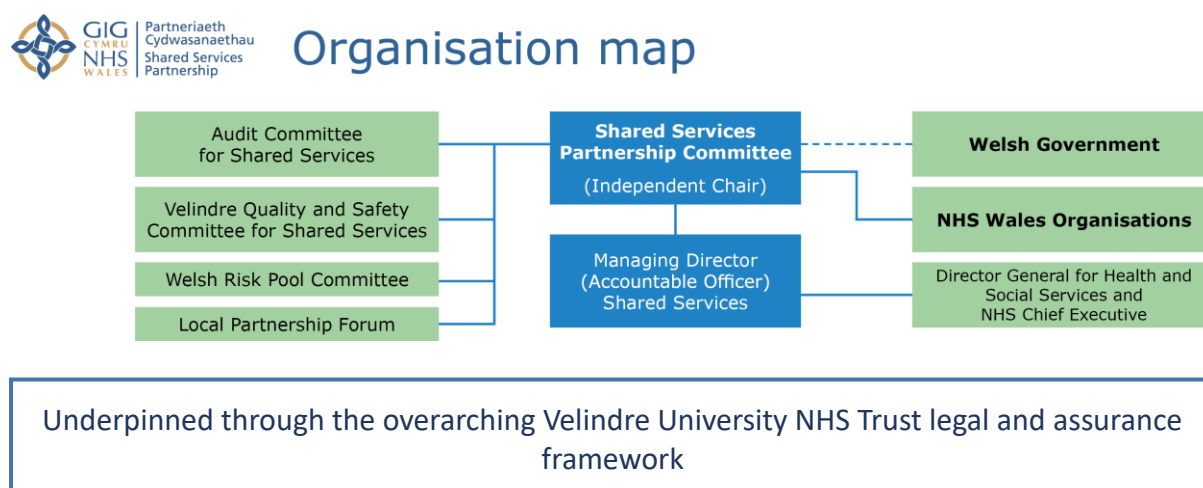
The NWSSP Managing Director is accountable to the Shared Services Partnership Committee (SSPC) in relation to those functions delegated to it. The Managing Director is also accountable to the Chief Executive of Velindre University NHS Trust (the Trust) in respect of the hosting arrangements supporting the operation of NWSSP.

The Chief Executive of the Trust is responsible for the overall performance of the executive functions of the Trust and is the designated Accountable Officer for the Trust. As the host organisation, the Chief Executive (and the Trust Board) has a legitimate interest in the activities of NWSSP and has certain statutory responsibilities as the legal entity hosting NWSSP.

The Managing Director (as the Accountable Officer for NWSSP) and the Chief Executive of the Trust (as the Accountable Officer for the Trust) shall be responsible for meeting all the responsibilities of their roles, as set out in their respective Accountable Officer Memoranda. Both Accountable Officers co-operate with each other to ensure that full accountability for the activities of NWSSP and the Trust is afforded to the Welsh Government Ministers/Cabinet Secretary whilst minimising duplication.

The Governance Structure for NWSSP is presented in Figure 1 below:

Figure 1 –NWSSP’s Governance Structure



2. GOVERNANCE FRAMEWORK

NWSSP currently has two main Committees that have key roles in relation to the Governance and Assurance Framework. Both Committees undertake scrutiny, development discussions, and assess current risks and monitor performance in relation to the diverse number of services provided by NWSSP to NHS Wales.

2.1 Shared Services Partnership Committee (SSPC)

The SSPC was established in accordance with the Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 and the functions of managing and providing shared services (professional, technical, and administrative services) to the NHS in Wales is included within the Velindre National Health Service Trust (Establishment) (Amendment) Order 2012.

The composition of the SSPC includes an Independent Chair, the Managing Director of Shared Services, and either the Chief Executive of each partner organisation in NHS Wales or a nominated executive representative who acts on behalf of the respective Health Body.

At a local level, NHS Wales organisations must agree Standing Orders for the regulation of proceedings and business. They are designed to translate the statutory requirements set out within the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009, into day-to-day operating practice, and, together with the adoption of a scheme of matters reserved to the Board; a scheme of delegations to officers and others; and Standing Financial Instructions, they provide the regulatory framework for the business conduct of NWSSP and define its way of working. These documents, accompanied by relevant Trust policies and NWSSP’s corporate protocols, approved by the SLG, provide NWSSP’s Governance Framework.

Health Boards, NHS Trusts and the two Special Health Authorities (Health Education and Improvement Wales (HEIW) and Digital Health & Care Wales (DHCW)) have collaborated over the operational arrangements for the provision of shared services and have an agreed Memorandum of Co-operation to ensure that the arrangements operate effectively through collective decision making in accordance with the policy and strategy set out above, determined by the SSPC.

Whilst the SSPC acts on behalf of all NHS organisations in undertaking its functions, the responsibility for the exercise of NWSSP functions is a shared responsibility of all NHS bodies in Wales.

NWSSP's governance arrangements are summarised below.

Figure 2: Summary of Governance Arrangements



The SSPC has in place a robust Governance and Accountability Framework for NWSSP including:

- Standing Orders;
- Hosting Agreement;
- Interface Agreement between the Chief Executive Velindre University NHS Trust and Managing Director of NWSSP; and
- Accountability Agreement between the SSPC Chair and the Managing Director of NWSSP.

These documents, together with the Memorandum of Co-operation form the basis upon which the SSPC's Governance and Accountability Framework is developed. Together with the Trust's Values and Standards of Behaviour

framework, this is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

The Membership of the SSPC during the year ended 31 March 2024 is outlined in Figure 3 below. Membership was originally designed to be the Chief Executives of each Health Board and Trust but nominated deputies are allowed to attend and vote, provided they are an Executive Director of their own organisation.

Figure 3: Table of Members of the NHS Wales Shared Services Partnership Committee during 2023/2024

Name	Position	Organisation	Full/Part Year
Tracy Myhill (Chair)	<i>Independent Member</i>	<i>NHS Wales Shared Services Partnership</i>	<i>Full Year</i>
Huw Thomas (Vice Chair)	<i>Director of Finance</i>	<i>Hywel Dda UHB</i>	<i>Full Year</i>
Neil Frow	<i>Managing Director of NWSSP</i>	<i>NHS Wales Shared Services Partnership</i>	<i>Full Year</i>
Sarah Simmonds	<i>Director of Workforce and OD</i>	<i>Aneurin Bevan UHB</i>	<i>Full Year</i>
Russell Caldicott	<i>Interim Director of Finance</i>	<i>Betsi Cadwaladr UHB</i>	<i>Full Year</i>
Catherine Phillips	<i>Director of Finance</i>	<i>Cardiff and Vale UHB</i>	<i>Full Year</i>
Hywel Daniel	<i>Director of Workforce & OD</i>	<i>Cwm Taf Morgannwg UHB</i>	<i>Full Year</i>
Claire Osmundsen-Little	<i>Director of Finance</i>	<i>Digital Health and Care Wales</i>	<i>Full Year</i>
Glyn Jones	<i>Director of Finance</i>	<i>Health Education and Improvement Wales</i>	<i>Full Year</i>
Pete Hopgood	<i>Director of Finance</i>	<i>Powys THB</i>	<i>Full Year</i>
Paul Veysey*	<i>Board Secretary</i>	<i>Public Health Wales NHS Trust</i>	<i>Full Year</i>
Debbie Eytayo	<i>Director of Workforce and OD</i>	<i>Swansea Bay UHB</i>	<i>Full Year</i>
Steve Ham	<i>Chief Executive</i>	<i>Velindre University NHS Trust</i>	<i>Full Year</i>
Chris Turley	<i>Director of Finance</i>	<i>Welsh Ambulance Services NHS Trust</i>	<i>Full Year</i>

*Not an Executive Director

The composition of the Committee also requires the attendance of the following: Deputy Director of Finance, Welsh Government; Director of Finance & Corporate Services, NWSSP; Director of People & Organisational Development, NWSSP; Medical Director, NWSSP; Director of Planning, Performance, and Informatics, NWSSP; and Head of Finance & Business Development, NWSSP as governance support. Trade Unions are also invited to the meetings.

Figure 4 – Attendance at the Meetings of the NHS Wales Shared Services Partnership Committee during 2023/2024

Organisation	18/05/2023	20/07/2023	21/09/2023	23/11/2023	18/01/2024	21/03/2024
Aneurin Bevan UHB	✓	✓**	✓	✓**	✓	X
Betsi Cadwaladr UHB	✓**	✓**	✓**	✓	✓	X
Cardiff and Vale UHB	✓**	✓	✓**	✓	X	✓**
Cwm Taf UHB	✓**	✓	✓**	✓**	✓	X
DHCW	✓	✓	✓	✓	✓	✓
HEIW	✓**	✓**	✓	✓	✓	✓
Hywel Dda UHB	✓**	✓**	✓	✓	✓	✓
Powys Teaching Health Board	✓**	✓	✓	✓	X	✓
Public Health Wales Trust	X	X	✓**	X	X	X
Swansea Bay UHB	✓	✓	✓**	✓**	✓	✓**
Velindre University NHS Trust	✓	✓	X	✓	X	✓
Welsh Ambulance Service Trust	✓	X	✓	X	✓**	✓
Welsh Government	✓	✓	✓	✓	✓	✓
Trade Union	✓	X	X	X	✓	X
Chair	✓	✓	✓	✓	✓	✓
Accountable Officer	✓	✓	✓	✓	✓	✓

✓ Denotes the nominated member was present

✓*Denotes the nominated member was not present and that an alternative Executive Director attended on their behalf

✓** Denotes that the nominated member was not present and that while a deputy did attend, they were not an Executive Member of their Board.

X Denotes Health Body not represented

In accordance with the Public Bodies (Admissions to Meetings) Act 1960 the organisation is required to meet in public. We did not receive any requests from the public to attend the SSPC but to ensure business was

conducted in as open and transparent manner as possible during this time the following actions were taken:

- The dates of all meetings are published on the NWSSP website prior to the start of the financial year;
- The agenda is published in English and Welsh at least seven days prior to the meeting;
- All papers are published in English on the website, and minutes are also provided in Welsh, shortly after the meeting has taken place.

The purpose of the SSPC is set out below:

- To set the policy and strategy for NWSSP;
- To monitor the delivery of shared services through the Managing Director of NWSSP;
- To seek to improve the approach to delivering shared services which are effective, efficient and provide value for money for NHS Wales and Welsh Government;
- To ensure the efficient and effective leadership, direction, and control of NWSSP; and
- To ensure a strong focus on delivering savings that can be re-invested in direct patient care.

The SSPC monitors performance monthly against key performance indicators. For any indicators assessed as being below target, reasons for current performance are identified and included in the report along with any remedial actions to improve performance. These are presented to the SSPC by the relevant Director. Deep Dive sessions are often on the agenda to learn more about the risks and issues of directorates within NWSSP.

The SSPC ensures that NWSSP consistently followed the principles of good governance applicable to NHS organisations, including the oversight and development of systems and processes for financial control, organisational control, governance, and risk management. The SSPC assesses strategic and corporate risks through the Corporate Risk Register.

2.2 SSPC Performance

During 2023/2024, the SSPC approved an annual forward plan of business, including:

- Regular assessment and review of:
 - Finance, Workforce and Performance information;
 - Quarterly IMTP Progress reports;
 - Corporate Risk Register;
 - Welsh Risk Pool;
 - Programme Management office updates.
- Annual review and/or approval of:
 - Integrated Medium-Term Plan;
 - Annual Governance Statement;
 - Audit Wales Management Letter;

- Annual Review;
- Standing Orders;
- Service Level Agreements.
- Deep Dives into:
 - Welsh Risk Pool;
 - Duty of Quality;
 - Recruitment Modernisation Programme; and
 - Payroll Modernisation and Overpayments.

2.3 Velindre Audit Committee for NWSSP

The primary role of the Velindre University NHS Trust Audit Committee for Shared Services (Audit Committee) has been to review and report upon the adequacy and effective operation of NWSSP’s overall governance and internal control system. This includes risk management, operational and compliance controls, together with the related assurances that underpin the delivery of NWSSP’s objectives. This role is set out clearly in the Audit Committee’s terms of reference, which were reapproved in July 2023 to ensure these key functions were embedded within the standing orders and governance arrangements.

The Audit Committee reviews the effective local operation of internal and external audit, as well as the Counter Fraud Service. In addition, it ensures that a professional relationship is maintained between the external and internal auditors so that assurance resource is effectively used.

The Audit Committee supports the SSPC in its decision-making and in discharging its accountabilities for securing the achievement of NWSSP’s objectives in accordance with the standards of good governance determined for the NHS in Wales.

The Audit Committee attendees during 2023/2024 comprised of three Independent Members of Velindre University NHS Trust, with representatives of both Internal and External Audit and Senior Officers of NWSSP and Velindre University NHS Trust in attendance.

Figure 5 - Composition of the Velindre University NHS Trust Audit Committee for NWSSP during 2023/24

In Attendance	April 2023	July 2023	October 2023	January 2024	Total
Members					
Martin Veale, Chair & Independent Member*	✓	✓	-	-	2/2
Gareth Jones, Independent Member	✓	✓	✓	✓	4/4
Vicky Morris, Independent Member	✓	✓	✓	✓	4/4
Audit Wales					
Audit Team Representative	✓	✓	✓	✓	4/4
NWSSP Audit Service					
Director of Audit & Assurance	✓	✓	✓	✓	4/4

In Attendance	April 2023	July 2023	October 2023	January 2024	Total
Head of Internal Audit	✓	✓	✓	✓	4/4
Counter Fraud Services					
Local Counter Fraud Specialist	✓	✓	✓	✓	4/4
NWSSP					
Tracy Myhill, Chair NWSSP	✓	✓	✓	x	3/4
Neil Frow, Managing Director	✓	✓	✓	✓	4/4
Andy Butler, Director of Finance & Corporate Services	✓	✓	✓	✓	4/4
Peter Stephenson, Head of Finance & Business Development	✓	✓	✓	✓	4/4
Carly Wilce Corporate Services Manager	✓	✓	✓	✓	4/4
Velindre University NHS Trust					
Matthew Bunce, Director of Finance	✓	✓	✓	✓	4/4
Lauren Fear Director of Corporate Governance and Chief of Staff	✓	x	x	✓	2/4

*The October 2023 and January 2024 meetings were chaired by Gareth Jones in the absence of Martin Veale who was unable to attend.

The Audit Committee met formally on four occasions during the year with the majority of members attending regularly and all meetings were quorate. An Audit Committee Highlight Report is reported to the SSPC after each Audit Committee meeting.

2.4 Reviewing Effectiveness of Audit Committee

The Audit Committee completes an annual committee effectiveness survey evaluating the performance and effectiveness of:

- the Audit Committee members and Chair;
- the quality of the reports presented to Committee; and
- the effectiveness of the Committee secretariat.

The survey questionnaire comprises self-assessment questions intended to assist the Audit Committee in assessing their effectiveness with a view to identifying potential areas for development going forward. A survey reported to the October 2023 Committee had a 70% response rate (10 responses received) and identified the following:

- Very positive feedback received overall from participants in regard to the Chairing of the Committee. It is a common theme that members feel the Committee is very well chaired, efficient, and effective and has an encouraging effect on members when it comes to discussions and questions;

- The atmosphere at meetings is conducive to open and productive debate;
- All members and attendees' behaviour is courteous and professional;
- All respondents agreed that the Committee is provided with sufficient authority and resources in order to perform its role effectively.
- All responders agreed that there is sufficient time to deal with planned matters;
- The survey demonstrates that members find virtual meetings a very positive experience, due to flexibility to fit in with other work commitments and no travelling time. There was one comment, which stated that "The occasional face to face meeting is helpful, however business has been conducted very effectively on the virtual platform and should consider as an option even if all meetings are hybrid."

In response to the final point above, NWSSP Audit Committee members met at IP5 in Newport for the meeting held in July and we will continue to arrange at least one face to face meeting per year.

2.5 Sub-Committees and Advisory Groups

The SSPC is supported by the following:

- **Welsh Risk Pool Committee**
 - Formal Sub-Committee as set out in the Shared Services Partnership Committee (SSPC) Standing Orders
 - Reimburse losses over £25,000 incurred by Welsh NHS bodies arising out of negligence;
 - Provide oversight of the GP Indemnity Scheme;
 - Funded through the NWSSP allocation supplemented by a risk sharing agreement with health boards and trusts ;
 - Oversees the work and expenditure of the Welsh Risk Pool; and
 - Helps promote best clinical practice and lessons learnt from clinical incidents.
- **Local Partnership Forum (LPF)**
 - Formal mechanism for consultation and engagement between NWSSP and the relevant Trade Unions. The LPF facilitates an open forum in which parties can engage with each other to inform debate and seek to agree local priorities on workforce and health service issues.
- **Welsh Energy Group (WEG)**
 - Task and Finish Advisory Group as set out in the Shared Services Partnership Committee (SSPC) Standing Orders
 - 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 Welsh Energy Operating Group (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.

In addition to the above, NWSSP report regularly to the Velindre Quality and Safety Committee. Quarterly reports are presented on our performance and compliance with the requirements of the Duty of Quality. Annual reports are also provided to the Committee on the work of the Welsh Infected Blood Support Scheme (WIBSS) and Medical Examiner Service.

In May 2024, we established the new All Wales P2P Governance forum to progress P2P initiatives across Wales on a Once for Wales basis to improve and streamline efficiencies and opportunities. The All Wales P2P Governance Group reports into the Deputy Directors of Finance Forum for agreement of changes proposed, with the overarching high level governance operating through the Shared Services Partnership Committee.

2.6 Senior Leadership Group (SLG)

The Managing Director leads the SLG and reports to the Chair of the SSPC on the overall performance of NWSSP. The Managing Director is the designated Accountable Officer for NWSSP and is accountable, through the leadership of the Senior Leadership Group, for:

- The performance and delivery of NWSSP through the preparation of the annually updated Integrated Medium-Term Plan (IMTP) based on the policies and strategy set by the SSPC and the preparation of Service Improvement plans;
- Leading the SLG to deliver the IMTP and Service Improvement Plans;
- Establishing an appropriate Scheme of Delegation for the SLG; and
- Ensuring that adequate internal controls and procedures are in place to ensure that delegated functions are exercised properly and prudently.

The SLG is responsible for determining NWSSP policy, setting the strategic direction and to ensure that there is effective internal control, and ensuring high standards of governance and behaviour. In addition, the SLG is responsible for ensuring that NWSSP is responsive to the needs of NHS Wales organisations.

The SLG comprises:

Figure 7 – Composition of the SLG at NWSSP during 2023/2024

Name	Designation
Neil Frow	Managing Director
Andy Butler	Director of Finance and Corporate Services
Gareth Hardacre	Director of People, Organisational Development and Employment Services
Jonathan Irvine	Director of Procurement Services
Simon Cookson	Director of Audit and Assurance
Mark Harris	Director of Legal and Risk Services
Andrew Evans	Director of Primary Care Services
Stuart Douglas	Director of Specialist Estates
Dr Ruth Alcolado	Medical Director
Alison Ramsey	Director of Planning, Performance & Informatics
Colin Powell	Director of Pharmacy Technical Services
Gavin Hughes	Director, Surgical Materials Testing Laboratory
Alwyn Hockin	Trade Union Representative
Claire Daw	Trade Union Representative

3. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to the achievement of the policies, aims and objectives of NWSSP. Therefore, it can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks, evaluate the likelihood of those risks being realised and the impact they would have, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in NWSSP for the year ending 31 March 2024 and up to the date of approval of the Trust Annual Report and Accounts.

3.1 External Audit

NWSSP's external auditors are Audit Wales. The Audit Committee has worked constructively with Audit Wales and the areas examined in the 2023/24 financial year included:

- Position Statements (to every meeting);
- NWSSP Nationally Hosted NHS IT Systems Assurance Report;
- Management Letter 2022/23; and
- Assurance Arrangements 2023/24.

The work of external audit is monitored by the Audit Committee through regular progress reports. Their work is considered timely and professional. The recommendations made are relevant and helpful in our overall assurance and governance arrangements and in minimising risk. There are clear and open relationships with officers and the reports produced are comprehensive and well presented.

In addition to internal NWSSP issues, the Audit Committee has been kept apprised by our external auditors of developments across NHS Wales and elsewhere in the public sector. These discussions have been helpful in extending the Audit Committee's awareness of the wider context of our work.

3.2 Internal Audit

The Audit Committee regularly reviewed and considered the work and findings of the internal audit team. The Director of Audit and Assurance and the relevant Heads of Internal Audit attend meetings to discuss their work and present their findings. The Audit Committee are satisfied with the liaison and coordination between the external and internal auditors.

Quarterly returns providing assurance on any audit areas assessed as having "no assurance" or "limited assurance" were issued to Welsh Government in accordance with the instruction received in July 2016. During 2023/24 no internal audit reports were rated as limited or no assurance.

For both internal and external audit, the Audit Committee have ensured that management actions agreed in response to reported weaknesses were implemented in a timely manner. Any planned revisions to agreed timescales for implementation of action plans requires Audit Committee approval. A separate report on the position with implementation of audit recommendations is monitored at each Audit Committee and is also taken for action at each monthly meeting of the SLG.

Reports were timely and enabled the Audit Committee to understand operational and financial risks. In addition, the internal auditors have provided valuable benchmarking information relating to best practice across NHS Wales.

During the year the five-year external quality assessment of Internal Audit was undertaken by the Chartered Institute of Public Finance & Accountancy and resulted in the highest possible rating being awarded to the service that is operated by NWSSP. There were no areas of either partial or non-compliance noted with the standards.

3.3 Counter Fraud

The work of the Local Counter Fraud Service (LCFS) is undertaken to help reduce and maintain the incidence of fraud (and/or corruption) within NWSSP to an absolute minimum.

The LCFS had traditionally been provided by staff from Cardiff & Vale UHB under a Service Level Agreement. This amounted to 75 days per annum. Over recent years, NWSSP has grown both in size and complexity, and it was recognised that this level of support was insufficient to address the fraud risk needs of the organisation. In June 2022, NWSSP appointed its own dedicated Local Counter Fraud Manager, with the secondment of Mark Weston from the Counter Fraud Service Wales team, for a period of three years.

Regular reports were received by the Audit Committee to monitor progress and demand against the agreed Counter Fraud Plan, including the following:

- Progress Update at each meeting
- Annual Report 2022-23
- Counter Fraud Work Plan 2023-24.

As part of its work, Counter Fraud has a regular annual programme of raising fraud awareness for which a number of days are then allocated and included as part of an agreed Work-Plan which is signed off by the Director of Finance and Corporate Services annually.

As part of that planned area of work, regular fraud awareness sessions are arranged and then held with various staff groups at which details on how and to who fraud can be reported are outlined. During 2023/24, these sessions have been provided both in face-to-face sessions and virtually.

In addition to this and in an attempt to promote an Anti-Fraud Culture within NWSSP, a quarterly newsletter is produced which is available to all staff on the intranet and all successful prosecutions are publicised in order to obtain the maximum deterrent effect.

3.4 Integrated Governance

The Audit Committee is responsible for the maintenance and effective system of integrated governance. It has maintained oversight of the whole process by seeking specific reports on assurance, which include:

- The Quality Assurance and Improvement Plan arising from the 2022-23 Internal Audit self-assessment;
- Tracking of Audit Recommendations;
- Corporate Risk Register;
- Directorate Assurance Maps; and
- Governance Matters report on single tender actions, declarations of interest, gifts and hospitality received and declined.

During 2023/24, the Audit Committee reported any areas of concern to the SSPC and played a proactive role in communicating suggested amendments to governance procedures and the Corporate Risk Register.

3.5 Quality

The Health and Social Care (Quality and Engagement) (Wales) Act 2020 introduced the Duty of Quality which came into effect from the 1st April 2023. 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. There is a requirement to produce an Annual Report and the report for the 2023/24 financial year is due by June 2024.

Under the requirements of the Act, primary responsibility rests with the Managing Director as the Accountable Officer, and the Medical Director is the lead for strategic direction and oversight. Board oversight is through the Partnership Committee. The responsibility to report within is two-fold – both internally in respect of our own quality measures but also externally in terms of providing information for Health Boards and Trusts to report their own performance.

The SSPC gives attention to assuring the quality of services by including a section on “Quality, Safety and Patient Experience” as one of the core considerations on the committee report template when drafting reports for SSPC meetings.

The Velindre Quality, Safety and Performance Committee gives over part of its meetings to NWSSP issues and particularly those relating to the Temporary Medicines Unit.



In addition, quality of service provision is a core feature of the discussions undertaken between NWSSP and the Health Boards and Trusts during quarterly review meetings with the relevant Directors. With the introduction of the Duty of Quality, this has become a more prominent feature, and a number of presentations on this subject have been made to the Partnership Committee.

In addition to corporate governance arrangements for risk management and control, Procurement Services maintains compliance and certification with a number of national and international standards as appropriate to the provision of its services. They include ISO 9001 Quality Management Standard, BS ISO 45001 Occupational Health & Safety and Customer Service Excellence. Our regional warehouses and national distribution centre at Newport are also accredited to the STS Food Safety Standard for the storage and distribution of food products. The receipt, storage and distribution of pharmaceuticals and controlled drugs at designated warehouses are compliant with Good Distribution Practice and MHRA

licence conditions. Compliance with these standards and their associated audit by external bodies is supported and assured by a robust internal audit plan that highlights any areas of non-compliance and improvement opportunities. Our Quality Plan includes improvement objectives that are reviewed each year to ensure that they are aligned and continue to support strategic objectives for the Division.

Certifications

The organisation holds a number of certifications corporately that support the delivery and continual improvement of quality services, including attainment of organisational accreditation to the Corporate Health Standard (CSE) and ISO 14001 Environmental Management Standard.

Many Services within NWSSP also hold independently verified certifications and standards, including ISO27001 Information Security Management, ISO9001 Quality Management, ISO11014 Material and Safety Data Sheet, ISO45001 Health and Safety Management and ISO17025 Testing and Calibration of Laboratories Standards. External audit reviews included Carriage of Dangerous Goods Licensing, Public Sector Internal Audit Standards (PSIAS) and NWSSP also became an accredited Mental Health First Aid Trainer Organisation in 2023.

Key organisational achievements for embedding the Duty of Quality in 2023-24 included raising awareness with dedicated sessions with the Shared Services Partnership, Senior Leadership Group and staff coffee mornings, implementation of a Quality Champions Network for sharing best practice, quality driven reporting and consideration of our 'always on' performance measures, quality control and using data for quality improvement and external quality reviews, certifications and awards as a source of assurance and opportunity for further improvement.

Customer Service Excellence

In October 2023, NWSSP was accredited with an organisational level Customer Service Excellence (CSE) Award, making it the first organisation within NHS Wales to achieve the highly valued government standard.

The CSE accreditation assesses organisations and measures customer focused areas that research has identified as a priority to customers with a particular focus on; Customer Insight; Culture of the Organisation; Information and Access; Delivery and Timeliness and; Quality of Service.

Within this framework, CSE also prioritises three distinct areas; as a driver of continuous improvement; as a skills development tool and; as an independent validation of achievement.

As part of the assessment, NWSSP achieved 12 Compliance Pluses, demonstrating that the organisation exceeded the standards required. NWSSP also achieved 33 Compliances, where in each instance the standard

required is met, with only 2 Partial Compliances to consider as areas of improvement.

3.6 Looking Ahead

As a result of its work during the year the Audit Committee is satisfied that NWSSP has appropriate and robust internal controls in place and that the systems of governance incorporated in the Standing Orders are fully embedded within the Organisation.

Looking forward to 2024-25 the Audit Committee will continue to explore the financial, management, governance and quality issues that are an essential component of the success of NWSSP.

Specifically, the Audit Committee will:

- Continue to examine the governance and internal controls of NWSSP;
- Monitor closely risks faced by NWSSP and also by its major providers;
- Work closely with the Chairs of Audit Committee group on issues arising from financial governance matters affecting NHS Wales and the broader public sector community;
- Work closely with external and internal auditors on issues arising from both the current and future agenda for NWSSP;
- Ensure the SSPC is kept aware of its work including both positive and adverse developments; and
- Request and review a number of deep dives into specific areas to ensure that it provides adequate assurance to both the Audit Committee and the SSPC.

4. CAPACITY TO HANDLE RISK

The Corporate Risk Register is reviewed at each meeting of the formal SLG, SSPC and Audit Committee to ensure that the key risks are aligned to delivery and are appropriately considered and scrutinised. The register is divided into two sections as follows:

- Risks for Action – this includes all risks where further action is required to achieve the target score. The focus of attention for these risks should be on ensuring timely completion of required actions; and
- Risks for Monitoring – this is for risks that have achieved their target score, but which need to remain on the Corporate Risk Register due to their potential impact on the organisation as a whole. For these risks the focus is on monitoring both any changes in the nature of the risk (e.g. due to external environmental changes) and on ensuring that existing controls and actions remain effective (e.g. through assurance mapping).

There are currently a number of red risks on the Corporate Risk Register as follows:

- The threat to services if funding is not made available to develop the TRAMs service in South-East Wales;
- The impact on staff time and resources as a requirement of responding to the COVID 19 UK Public Inquiry; and
- The lack of capital funding available to support the delivery of key initiatives, including decarbonisation.

The SSPC has overall responsibility and authority for NWSSP's Risk Management programme through the receipt and evaluation of reports indicating the status and progress of risk management activities.

The Lead Director for risk is the Director of Finance and Corporate Services who is responsible for establishing the policy framework and systems and processes needed for the management of risks within the organisation.

The Trust has an approved strategy for risk management and NWSSP has a risk management protocol in line with its host's strategy providing a clear systematic approach to the management of risk within NWSSP.

NWSSP seeks to integrate risk management processes so that it is not seen as a separate function but rather an integral part of the day-to-day management activities of the organisation including financial, health and safety and environmental functions.

It is the responsibility of each Director and Head of Service to ensure that risk is addressed within each of the locations relevant to their Directorates. It is also important that an effective feedback mechanism operates across NWSSP so that frontline risks are escalated to the attention of Directors.

Each Director is required to provide a regular update on the status of their directorate specific risk registers during quarterly review meetings with the Managing Director. All risks categorised as red within individual directorate registers trigger a referral for review, and if deemed appropriate the risk is added to the NWSSP Corporate Risk Register.

Assurance maps are updated at least annually for each of the directorates to provide a view on how the key operational, or business-as-usual risks are being mitigated. The Audit Committee review all assurance maps annually.

A Risk Appetite statement has also been documented and approved by the Audit Committee. This was revised significantly last year, with detailed review taking place both within NWSSP and also at the SSPC Development day held in November 2022. This has resulted in both a new format for the Risk Appetite Statement and also an encouragement from SSPC members in particular, for NWSSP to be bolder in its approach to risk. The revised Risk Appetite Statement was approved at the January 2023 Audit Committee. The SLG considered the statement to remain appropriate

following review in May 2024 and has also undertaken informal sessions reviewing its approach to the Corporate Risk Register resulting in a number of revisions to be taken forward into 2024/25.

NWSSP's approach to risk management therefore ensures that:

- Leadership is given to the risk management process;
- Staff receive training on how to identify and manage risk;
- Risks are identified, assessed, and prioritised ensuring that appropriate mitigating actions are outlined on the risk register;
- The effectiveness of key controls is regularly assured; and
- There is full compliance with the Orange Book on Management of Risk.

5. THE CONTROL FRAMEWORK

NWSSP's commitment to the principle that risk is managed effectively means a continued focus to ensure that:

- There is compliance with legislative requirements where non-compliance would pose a serious risk;
- All sources and consequences of risk are identified, and risks are assessed and either eliminated or minimised; information concerning risk is shared with staff across NWSSP and with Partner organisations through the SSPC and the Audit Committee;
- Damage and injuries are minimised, and staff health and wellbeing is optimised; and
- Lessons are learnt from compliments, incidents, and claims in order to share best practice and reduce the likelihood of reoccurrence.

5.1 Corporate Risk Framework

The detailed procedures for the management of corporate risk have been outlined above. Generally, to mitigate against potential risks concerning governance, NWSSP is proactive in reviewing its governance procedures and ensuring that risk management is embedded throughout its activities, including:

- NWSSP is governed by Standing Orders and Standing Financial Instructions which are reviewed on an annual basis;
- The SSPC and Audit Committee both have forward work plans for committee business which provide an assurance framework for compliance with legislative and regulatory requirements;
- The effectiveness of governance structures is regularly reviewed including through self-effectiveness surveys;
- The front cover pro-forma for reports for the SSPC includes a summary impact analysis section to be completed prior to submission. This provides a summary of potential implications relating to equality and diversity, legal implications, quality, safety and patient experience, risks and assurance, Wellbeing of Future Generations, Health and Care Standards and workforce;

- The Service Level Agreements in place with NHS Wales organisations set out the operational arrangements for NWSSP's services to them and are reviewed on an annual basis; and
- The responsibilities of Directors are reviewed at annual Performance and Development Reviews (PADRs).

5.2 Policies and Procedures

NWSSP follows the policies and procedures of the Trust as the host organisation. In addition, a number of workforce policies have been developed and promulgated on a consistent all-Wales basis through the Welsh Partnership Forum and these apply to all staff within NWSSP.

All staff are aware of and have access to the internal Intranet where the policies and procedures are available. In a number of instances supplementary guidance has been provided. The Trust ensures that NWSSP have access to all the Trust's policies and procedures and that any amendments to the policies are made known as they are agreed. NWSSP participate in the development and revision of workforce policies and procedures with the host organisation and has established procedures for staff consultation.

The SSPC will where appropriate develop its own protocols or amend policies if applicable to the business functions of NWSSP. The Managing Director and other designated officers of NWSSP are included on the Trust Scheme of Delegation.

5.3 Information Governance

NWSSP has established arrangements for Information Governance to ensure that information is managed in line with the relevant ethical law and legislation, applicable regulations and takes guidance, when required from the Information Commissioner's Office (ICO). This includes established laws including Data Protection Legislation, Common Law Duty of Confidentiality, the Human Rights Act, the Caldicott Report, and specific Records Management Principles. The General Data Protection Regulations increased the responsibilities to ensure that the data that NWSSP collects, and its subsequent processing, is for compatible purposes, and it remains secure and confidential whilst in its custody.

The Director of Finance and Corporate Services is the designated Senior Information Risk Owner (SIRO) in relation to Information Governance for NWSSP. NWSSP has an Information Governance Manager who has the objective of facilitating the effective use of controls and mechanisms to ensure that staff comply with Information Governance fundamental principles and procedures. This work includes awareness by delivery of an online core skills training framework eLearning module on Information Governance, classroom-based training (when possible) for identified high risk staff groups, developing, and reviewing policies and protocols to safeguard information, and advising on and investigating Information Governance breaches reported on the Datix incident reporting system.

The Information Governance Manager is responsible for the continuing delivery of an enhanced culture of confidentiality. This includes the presence of a relevant section on the intranet and a dedicated contact point for any requests for advice, training, or work.

NWSSP has an Information Governance Steering Group (IGSG) that comprises representatives from each directorate who undertake the role of Information Asset Administrators for NWSSP. The IGSG discusses quarterly issues such as GDPR and Data Protection Legislation, the Freedom of Information Act, Information Asset Ownership, Information Governance Breaches, Records Management, training compliance, new guidance documentation and training materials, areas of concern and latest new information and law.

NWSSP has a suite of protocols and guidance documents used in training and awareness for all staff on the importance of confidentiality and to ensure that all areas are accounted for. These include email and password good practice guides, summarised protocols, and general guidance for staff. There is also a documented Privacy Impact Assessment (or "Privacy by Design") process in place to ensure consideration of Information Governance principles during the early stages of new projects, processes or work streams proposing to use identifiable information in some form.

NWSSP has developed an Integrated Impact Assessment process to include broader legislative and regulatory assurance requirements, and the pro-forma includes the need to consider the impact of the protected characteristics (including race, gender, and religion) on the various types of Information Governance protocols.

The Information Governance Manager attends various meetings including the Trust IG and IM&T Committee and the NHS Wales Information Governance Management Advisory Group (IGMAG) hosted by NHS Wales Informatics, attended by all NHS Wales Health Bodies.

5.4 Counter Fraud

NWSSP host the NHS Wales Counter Fraud Steering Group (CFSG), facilitated by Welsh Government, which works in collaboration with the NHS Counter Fraud Authority in NHS England to develop and strengthen counter fraud services across NHS Wales. The Director of Finance and Corporate Services chairs the group.

The Group has a documented NHS Fighting Fraud Strategy for Wales with an accompanying action plan which is reviewed at the quarterly meetings of the CFSG. Work has also been undertaken to improve and enhance the quarterly reporting of both the Local Counter Fraud Specialists, and the Counter Fraud Services Wales Team. Reports are submitted to the meetings of the CFSG and are then shared with both Welsh Government and the Directors of Finance Group for NHS Wales.

5.5 Internal Audit

The NWSSP hosting agreement provides that the SSPC will establish an effective internal audit as a key source of its internal assurance arrangements, in accordance with the Public Internal Auditing Standards.

Accordingly, for NWSSP, an internal audit strategy has been approved by the Audit Committee which provides coverage across NWSSP functions and processes sufficient to assure the Managing Director of NWSSP and in turn the SSPC and the Trust as host organisation on the framework of internal control operating within NWSSP.

The delivery of the audit plan for NWSSP culminates in the provision of a Head of Internal Audit opinion on the governance, risk and control processes operating within NWSSP. The opinion forms a key source of assurance for the Managing Director when reporting to the SSPC and partner organisations.

5.6 Duty of Quality

Work around embedding the Duty of Quality (DoQ) is continuing across NWSSP. Monthly 'always on' reporting began in 2023 with divisions preparing presentations demonstrating how they embed quality across their service. These presentations are hosted on the NWSSP SharePoint site, which also serves as a learning resource across the organisation.

We have embedded DoQ into our IMTP 2024-27 demonstrating where we see the standards aligning, also, moving into 2024-25, monthly reporting will increase with all divisions highlighting how they integrate quality into their services, this will provide us with a comprehensive overview of our organisational approach to DoQ.

6. PLANNING ARRANGEMENTS

The Integrated Medium-Term Plan is approved by the SSPC and performance against the plan is monitored throughout the year. The 2023-2026 plan was submitted to Welsh Government in accordance with required timescales, and the current 2024-2027 plan has similarly met the required Welsh Government deadlines.

Significant work has been undertaken to revise the performance framework to ensure that it is fully integrated with the key priorities in the plan. The majority of performance targets for 2023/24 were achieved and progress against each of these is reported to the SLG and the SSPC. There is also regular reporting to Welsh Government requirement on progress against the plan through Joint Executive Team (JET) meetings.

The planning process includes substantial engagement with key stakeholders, both internally and across NHS Wales and the wider public sector, in both virtual team events and on a one-to-one basis.

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.

7. DISCLOSURE STATEMENTS

7.1 Equality, Diversity and Human Rights

NWSSP is committed to eliminating discrimination, valuing diversity, and promoting inclusion and equality of opportunity in everything it does. NWSSP's priority is to develop a culture that values each person for the contribution they can make to the services provided for NHS Wales. As a non-statutory hosted organisation within the Trust, NWSSP is required to adhere to the Trust Equality and Diversity Policy, Strategic Equality Plan and Objectives, which set out the Trust's commitment and legislative requirements to promote inclusion.

NWSSP are a core participant of the NHS Wales Equality Leadership Group (ELG), who work in partnership with colleagues across NHS Wales and the wider public sector, to collaborate on events, facilitate workshops, deliver, and undertake training sessions, issue communications and articles relating to equality, diversity, and inclusion, together with the promotion of dignity and respect for all. NWSSP is proactive in supporting NHS Wales organisations with completion of their submission for all-Wales services, such as Procurement and Recruitment. We host a range of staff networks, and we are developing our inclusion offering for our workforce.

The process for undertaking Equality Integrated Impact Assessments (EQIIA) has matured, and considers the needs of the protected characteristics identified under the Equality Act 2010, the Public Sector Equality Duty in Wales and the Human Rights Act 1998, whilst recognising the potential impacts from key enablers such as Well-being of Future Generations (Wales) Act 2015, incorporating Environmental Sustainability, Modern Slavery Act 2015 incorporating Ethical Employment in Supply Chains Code of Practice 2017, Welsh Language, Information Governance and Health and Safety.

With effect from March 31st, 2021, the Socio-Economic Duty placed a legal responsibility on NHS bodies when they are taking strategic decisions to have due regard to the need to reduce the inequalities of outcome resulting from socio-economic disadvantage.

Personal data in relation to equality and diversity is captured on the Electronic Staff Record (ESR) system and staff are responsible for updating their own personal records using the Electronic Staff Record Self-Service. This includes ethnicity; nationality, country of birth, religious belief, sexual orientation, and Welsh language competencies. The NHS Jobs All-Wales recruitment service, run by NWSSP adheres to all of the practices and principles in accordance with the Equality Act and quality checks the adverts and supporting information to ensure no discriminatory elements are present.

NWSSP has a statutory and mandatory induction programme for its workforce, including the NHS Wales “Treat Me Fairly” e-learning module, which forms part of a national training package and the statistical data captured for NWSSP completion contributes to the overall figure for NHS Wales. A Core Skills for Managers Training Programme is provided, and the Managing Conflict module includes an awareness session on Dignity at Work.

In January 2024, the SLG and other senior leaders from across the organisation received training on unconscious bias, and anti-racism training to the same cohort was provided in February 2024. NWSSP also has a Diversity and Inclusion action plan in place that was approved by the SLG in July 2023.

7.2 Welsh Language

NWSSP is committed to ensuring that the Welsh and English languages are treated equally in the services provided to the public and NHS partner organisations in Wales. This is in accordance with the current Trust Welsh Language Scheme, Welsh Language Act 1993, the Welsh Language Measure (Wales) 2011 and the Welsh Language Standards [No7.] Regulations 2018.

The work of NWSSP in relation to Welsh language delivery and performance is reported to the Welsh Government and the Welsh Language Commissioner within the Annual Performance Report. This work is largely undertaken by the Welsh Language Officer and a team of Translators.

These posts enable compliance with the current obligations under the Welsh Language Scheme and in meeting the requirements of the Welsh Language Standards. This has significantly increased the demand for translation services in the following areas:

- Service Delivery Standards;
- Policy Making Standards;
- Operational Standards;
- Record Keeping Standards; and
- Supplementary Standards.

NWSSP has made significant progress in developing and growing its Welsh language services by successfully offering all staff the opportunity to learn Welsh at work. The NWSSP website is bilingual and there has been investment in the development of a candidate interface on the TRAC recruitment system. NWSSP also offer language services to other organisations and have delivered translation and other language services to Public Health Wales, HEIW, and DHCW over recent years.

An annual report on performance with Welsh Language services is also produced and was submitted to the SLG in June and to the SSPC in July 2023.

7.3 Handling Complaints and Concerns

NWSSP is committed to the delivery of high-quality services to its customers. The NWSSP Issues and Complaints Management Protocol is reviewed annually. The Protocol aligns with the Velindre University NHS Trust Handling Concerns Policy, the Concerns, Complaints and Redress Arrangements (Wales) Regulations 2011 and Putting Things Right Guidance.

During 2023-24, 46 complaints have been received, of which:

- 41 complaints responded to within 30 working days (89%); and
- 5 complaints responded to outside of 30 working days (11%).

The total number of complaints received represents a significant and continuing decrease on the total for previous years (100 in 2021/22; 68 in 2022/23).

7.4 Freedom of Information Requests

The Freedom of Information Act (FOIA) 2000 gives the UK public the right of access to a variety of information held by public bodies and provides commitment to greater openness and transparency in the public sector, especially for those who are accountable for decisions made on behalf of patients and service users.

There were 112 requests received within NWSSP during 2023/24, 96% of which were responded to within the 20-day deadline for compliance. The prior year saw 91 requests received.

7.5 Data Security and Governance

In 2023/24, there were 42 (2022/23 42) information governance breaches reported within NWSSP; these included issues with mis-sending of email and records management. The majority of these were down to human error and despite education effectively provided to ensure awareness of confidentiality and effective breach reporting, unfortunately errors can happen.

All breaches are recorded in the Datix risk management software and investigated in accordance with the Information Governance and Confidentiality Breach Reporting protocols, which comply with the General Data Protection Regulation (GDPR). The protocols encourage staff to report those breaches that originate outside the organisation for recording purposes.

From this, the Information Governance Manager writes quarterly reports including relevant recommendations and any areas for improvement to minimise the possibility of further breaches. Members of the Information Governance Steering Group are required to report on any incidents in their

areas to include lessons learned and any changes that have been made since an incident was reported.

There was one Information Governance breach referred to the Information Commissioner's Office (ICO) for further investigation, but the ICO were content to close the case with no further action being taken.

7.6 ISO14001 – Environmental Management and Carbon Reduction

The ISO14001:2015 Standard places greater emphasis on protection of the environment, continuous improvement through a risk process-based approach and commitment to top-down leadership, whilst managing the needs and expectations of interested parties and demonstrating sound environmental performance, through controlling the impact of activities, products, or services on the environment. NWSSP is committed to environmental improvement and operates a comprehensive EMS in order to facilitate and achieve the Environmental Policy.

In March 2024 NWSSP was subject to the annual surveillance audit of the ISO 14001:2015 standard with external independent specialists to assess the continued implementation of the organisations Environmental Management System, to ensure it remains up to date, effective and fully operational. NWSSP successfully achieved recertification of the standard and the report was very positive and demonstrates the Management System in place conforms to all requirements of the Standard.

Carbon Footprint

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

Annual surveillance audits are undertaken to assess continued compliance with the Standard. The ISO14001:2015 Standard places greater emphasis on protection of the environment, continuous improvement through a risk process-based approach and commitment to top-down leadership, whilst managing the needs and expectations of interested parties and demonstrating sound environmental performance, through controlling the impact of activities, products, or services on the environment.

NWSSP is committed to environmental improvement and operates a comprehensive EMS in order to facilitate and achieve the Environmental Policy. We are committed to reducing our carbon footprint by implementing various environmental initiatives and efficiencies at our sites within the scope of our ISO14001:2015 certification. We successfully achieved recertification to the Standard in March 2024 through UKAS accredited certification body, Simply Certification Ltd.

This year, we have **achieved** an overall reduction of **11.1%** our carbon footprint across sites.

In order to achieve this reduction, a range of targeted initiatives has been planned and embedded throughout our sites and services. This investment in environmentally friendlier technologies such as LED lighting and electric vehicle charging infrastructure have been a significant contributor to the organisation's reduction in CO₂ emissions. The Environmental Champions and the Green Team continue to identify areas for emissions and waste savings and helping to improve data gathering. The increase in adoption of agile working arrangements, has resulted in a reduction in staff headcount on sites, and this combined with increased education and awareness of NWSSP carbon footprint aims and targets and the difference staff can make no matter how small, has made a welcome contribution to the reduction.

Electricity usage has decreased overall by 14%, due to projects such as agile working, LED lighting installation and motion sensor technology across a number of our sites. Of which, 18.8% is Electric Vehicle Charging Units (EVCUs) across our estate. REGO (Renewable Energy Guarantees of Origin) 'green' electricity procured is carbon neutral and across 8 of our sites. Feasibility studies have been completed for the installation of Solar Photovoltaics (PVs) at a number of sites including IP5 and Matrix House.

Electric Vehicle Charging Units (EVCUs) usage increased at our sites by 8.1% overall (5,810kg of CO₂e avoided). The 24/7 availability and ease of access, to charge points is encouraging their use by NHS Wales staff, even with the Health Courier Fleet having priority as "the wheels of the NHS in Wales". In terms of increased demand for the EVCUs, we see this as a positive measure for the wider community in terms of air quality the environment and the reduction of the carbon footprint for the commute of NWSSP staff. This contributes to a Healthier and Globally Responsible Wales as there are CO₂e reductions from charging electric vehicles, compared with burning fuel from petrol and diesel engines.

Gas usage increased by 0.7% (2,621 kg of CO₂e), largely due to an anomaly which was identified at Companies House with the biomass boiler which had a major fault resulting in reliance on gas which equated to a 137.7% increase in CO₂e, when apportioned for NWSSP's footprint on the site of 18.7%.

Kerosene oil used to heat Westpoint Industrial Estate usage reduced by 31% (3,917 kg of CO₂e) during the year. This is the only site that uses oil to heat the building and they have achieved the reduction by active temperature adjustment, measurement of usage and behavioural change.

Water increased by 14.3% (222kg of CO₂e), due to a culmination of better sources of data, increase validity, reduction of estimates used and introduction of invoices to support usage data. In addition, the natural annual variation accounts for a small percentage change and the continuation of agile working has led to a lower average staff headcount at sites.

The total waste generated across all of our sites has reduced by 39.6% (27,046kg of Co2e). During 2023-24 we created a new baseline due to the introduction of new Waste Regulations and better segregation of waste streams, improved data collation and have benefitted from the continued reduction in staff headcount on sites, due to agile working.

Confidential waste reduced overall by 48.4% (10,860kg of Co2e) and during the period we completed a rationalisation exercise to reduce the frequency of collections and quantity of bins on sites. All confidential waste is held in secure bins on site and taken away by accredited service providers to be repurposed into items such as notebooks, toilet paper, tissues, etc. All other waste streams are disposed of appropriately and responsibly and in accordance with relevant Regulations.

We saw a decrease in pool vehicle usage across the organisation by 69.1% (1,073kg of Co2e). This is positive because it mitigates the use of staff vehicles to commute and encourages car sharing, where possible and the continued adoption of agile working has also contributed to this decrease. In addition, pool cars used within the organisation are eco-friendly vehicles (electric, hybrid, etc).

Business mileage travelled decreased by 3.43% during the period. This figure is low compared to figures reported prior to March 2020, given continued agile working arrangements.

Decarbonisation Action Plan

The NHS Wales Decarbonisation Strategic Delivery Plan (2021-2030) was published in March 2021 and provides a detailed road map for NHS Wales, built around 46 initiatives each of which has been assessed for the potential to help facilitate or directly reduce carbon emissions.

NWSSP led the development and publication of the Strategic Plan which sets out the NHS Wales response to the 2030 net zero ambitions. The organisation has an All-Wales lead role in Buildings, Transport, Procurement, Estates Planning and Land Use but also has responsibilities across other activity streams at both a national and local level due to our significant direct influence on key aspects of the Plan.

NWSSP has also developed its own action plan which was summarised in the IMTP for 2022-25 and progress reporting will be integrated into the IMTP monitoring process. This plan sets out how the organisation will be decarbonising our own activities. Key actions include reducing the impact of our buildings, fleet, and new laundry service, as well as working with staff to help raise the profile of decarbonisation across the organisation. This was re-submitted to Welsh Government at the end of March 2024 after being signed off by the SLG and the SSPC.

7.7 Business Continuity Planning/Emergency Preparedness

NWSSP is proactive in reviewing the capability of the organisation to continue to deliver products or services at acceptable predefined levels following a disruptive incident. NWSSP recognise its contribution in supporting NHS Wales to be able to plan for and respond to a wide range of incidents and emergencies that could affect health or patient care, in accordance with requirement for NHS bodies to be classed as a Category 1 responder deemed as being at the core of the response to most emergencies under the Civil Contingencies Act (2004).

As a hosted organisation under the Trust, NWSSP is required to take note of its Business Continuity Management Policy and ensure that NWSSP has effective strategies in place for:

- People – the loss of personnel due to sickness or pandemic;
- Premises – denial of access to normal places of work;
- Information Management and Technology and communications/ICT equipment issues; and
- Suppliers internal and external to the organisation.

NWSSP is committed to ensuring that it meets all legal and regulatory requirements and has processes in place to identify, assess, and implement applicable legislation and regulation requirements related to the continuity of operations and the interests of key stakeholders.

NWSSP has a network of BCP Champions who meet bi-monthly and who represent all directorates and major teams. The Group is chaired by the Director of Planning, Performance, and Informatics.

NWSSP complete the Welsh Government Health Emergency Planning Report annually on a calendar year basis. This provides assurance over the measures in place within NWSSP to cope with and respond to major disruptive incidents and reaffirmed the robust arrangements in place within the Supply Chain and Health Courier Services who are well versed in this area. However, it identified the need to ensure that the rest of NWSSP was appropriately trained, communicated with, and engaged with key external stakeholders where appropriate. An Action Plan has been developed to address these requirements. In year we have undertaken basic emergency planning training with both the Champions and the SLG, and a significant number of relevant staff (50+) have also completed the on-line Emergency Planning training on ESR. More tailored training has also been undertaken in conjunction with DHCW and this will continue into the coming year. A BCP app has also recently been introduced which will help to promote more effective communication. Lessons learned reports are now completed after every incident and are routinely reported to both the Champions and the SLG.

An internal audit report was also commissioned which provided Reasonable Assurance and contained helpful recommendations for updating departmental action cards and updating aspects of business continuity

documentation, as well as suggesting consideration of investment in dedicated resource which will be taken forward in 2024-25.

Staff continue to work from home where possible and have been provided with the IT equipment to enable them to do so effectively. For staff who were required, or preferred to attend NWSSP sites, safe systems of working were implemented and enhanced to keep them as safe as possible, and in compliance with national guidance. Staff welfare is safeguarded, whether working from home or a NWSSP site, through employee support programmes including a network of Mental Health First Aiders across NWSSP who provide a point of contact for employees who are experiencing a mental health issue or emotional distress.

In addition, the NWSSP Mental Health Support Group is a virtual online group open to all colleagues and provides a supporting community where other individuals facing similar struggles can come together to find support, resources, and self-help tools. NWSSP has signed an employer pledge with Time to Change Wales; the first national campaign to end stigma and discrimination faced by people with mental health problems, which is delivered by two of Wales's leading mental health charities, Hafal and Mind Cymru.

Cyber Security

NWSSP continues to work towards implementing the Cyber Security Framework in order to address the specific needs of the service. This is an ongoing plan covering the areas of Identify, Protect, Detect, Respond and Recover. NWSSP have already started a number of work streams including Information Workflows and Governance, Awareness and Training, Procurement of Professional Incident Response Capability, Protective Technology through the SIEM Procurement Project and Business Continuity Planning workshops across the whole of the whole of NWSSP. NWSSP has a robust virtualised infrastructure based on the tenets of the framework in order to provide a safe and secure environment for NWSSP business systems.

The Cyber Security team continues to be strengthened with the recruitment of two more staff to take the number directly involved in cyber security to four. During the year training has been provided at a number of levels, including a desktop exercise with the SLG in March 2024, and phishing exercise campaigns continue to run. Heightened concerns over cyber security have led to action cards being updated and staff reminded of required practice when dealing with IT systems and responding to e-mails and other forms of contact. NWSSP is also represented on the all-Wales Cyber Security Network.

The SLG commissioned key performance indicators for cyber security towards the end of the financial year in order to enable greater ongoing oversight of the management of cyber security risk.

7.8 UK Corporate Governance Code

NWSSP operates within the scope of the Trust governance arrangements. The Trust undertook an assessment against the main principles of the UK Corporate Governance Code as they relate to an NHS public sector organisation in Wales. This assessment was previously informed by the Trust's assessment against the "Governance, Leadership and Accountability" theme of the Health and Care Standards undertaken by the Board. The Trust is clear that it is complying with the main principles of the Code, is following the spirit of the Code to good effect and is conducting its business openly and in line with the Code. The Board recognises that not all reporting elements of the Code are outlined in this Governance Statement but are reported more fully in the Trust's wider Annual Report.

7.9 NHS Pension Scheme

As an employer hosted by the Trust and as the payroll function for NHS Wales, there are robust control measures in place to ensure that all employer obligations contained within the Scheme regulations for staff entitled to membership of the NHS Pension Scheme are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

8. MANAGING DIRECTOR'S OVERALL REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors, and the Directors and Heads of Service within NWSSP who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

As Accountable Officer I have overall responsibility for risk management and report to the SSPC regarding the effectiveness of risk management across NWSSP. My advice to the SSPC is informed by reports on internal controls received from all its committees and in particular the Audit Committee.

Each of the Committees have considered a range of reports relating to their areas of business during the last year, which have included a comprehensive range of internal and external audit reports and reports on professional standards from other regulatory bodies. The Committees have also considered and advised on areas for local and national strategic developments and a potential expansion of the services provided by NWSSP. Each Committee develops an annual report of its business and the areas that it has covered during the last year, and these are reported in public to the Trust, Health Boards and Special Health Authorities.


Internal Audit Opinion

Internal Audit provide me and the SSPC through the Audit Committee with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with Public Sector Internal Audit Standards by the Audit and Assurance function within NWSSP.

The scope of this work is agreed with the Audit Committee and is focussed on significant risk areas and local improvement priorities. The overall opinion of the Head of Internal Audit on governance, risk management and control is a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The Head of Internal Audit opinion for 2023/2024 was that the Partnership Committee can take **Reasonable Assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, were suitably designed and applied effectively:

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

In reaching this overarching opinion the Head of Internal Audit has identified that the assurance domains relevant to NWSSP have all been assessed as providing reasonable assurance. During the year, there was one internal audit report regarding decarbonisation, issued with a rating of limited. There were zero reports with no assurance. All other reports were either substantial or reasonable assurance or were issued as advisory reports.

The challenges to deliver the decarbonisation agenda within limited resources, as noted in the Risk Management section, has been recognised in the limited assurance Internal Audit review. Internal Audit highlight the root cause of the rating is the impact of financial restraints on the ability of NWSSP to both deliver its own Decarbonisation Action Plan and to support

the wider delivery in NHS Wales should be recognised. The Internal Audit review did not highlight significant weaknesses in internal control.

Financial Control

NWSSP was established by Welsh Government to provide a range of support services to the NHS in Wales. As Managing Director and Accountable Officer, I retain overall accountability in relation to the financial management of NWSSP and report to the Chair of the SSPC.

NWSSP Financial Control Overview

There are four key elements to the Financial Control environment for NWSSP as follows:

- **Governance Procedures** – As a hosted organisation NWSSP operates under the Governance Framework of the Trust. These procedures include the Standing Orders for the regulation of proceedings and business. The statutory requirements have been translated into day-to-day operating practice, and, together with the Scheme of Reservation and Delegation of Powers and Standing Financial Instructions (SFIs), provide the regulatory framework for the business conduct of the Trust. These arrangements are supported by detailed financial operating procedures covering the whole of the Trust and also local procedures specific to NWSSP.
- **Budgets and Plan Objectives** – Clarity is provided to operational functions through approved objectives and annual budgets. Performance is measured against these during the year.
- **Service Level Agreements (SLAs)** – NWSSP has SLAs in place with all customer organisations and with certain key suppliers. This ensures clarity of expectations in terms of service delivery, mutual obligations, and an understanding of the key performance indicators. Annual review of the SLAs ensures that they remain current and take account of service developments.
- **Reporting** – NWSSP has a broad range of financial and performance reports in place to ensure that the effectiveness of service provision and associated controls can be monitored, and remedial action taken as and when required.

Through this structure NWSSP has maintained effective financial control which has been reviewed and accepted as appropriate by both the Internal and External Auditors.

9. CONCLUSION

This Governance Statement indicates that NWSSP has continued to make progress and mature as an organisation during 2023/24 and that it is further developing and embedding good governance and appropriate controls throughout the organisation. NWSSP has received positive feedback from Internal Audit on the assurance framework and this, in conjunction with other sources of assurance, leads me to conclude that it has a robust system of control.

Looking forward – for the period 2024/25:

I confirm that I am aware of my on-going responsibilities and accountability to you, to ensure compliance in all areas as outlined in the above statements continues to be discharged for the financial year 2024/25.

Signed by:

Managing Director – NHS Wales Shared Services Partnership

Date: